



**REPORT OF**  
**THE**  
**STATE AUDITOR**

**STATE OF COLORADO**  
**STATEWIDE SINGLE AUDIT**

**Fiscal Year Ended June 30, 2002**

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**STATE OF COLORADO**

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February 25, 2003

Members of the Legislative Audit Committee:

Included herein is the report of the Statewide Single Audit of the State of Colorado for the fiscal year ended June 30, 2002. The audit was conducted under the authority of Section 2-3-103, C.R.S., which authorizes the State Auditor to conduct audits of all state departments, institutions, and agencies.

The purpose of this report is to present the results of the Statewide Single Audit for the year ended June 30, 2002. The report includes our audit opinion on the Financial Statements and the supplementary Schedule of Expenditures of Federal Awards. It also contains our findings, conclusions, and recommendations, and the responses of the respective state agencies.

The report may not include all of the findings and recommendations related to audits performed of state institutions and agencies. Some findings and recommendations are issued under separate report covers. However, in accordance with the Single Audit Act, this report includes all findings and questioned costs related to federal awards that came to our attention through either the statewide audit or separate audits.

The report is intended solely for the use of management and the Legislative Audit Committee and should not be used for any other purpose. This restriction is not intended to limit distribution of the report, which, upon release by the Legislative Audit Committee, is a matter of public record.

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**OTHER REPORTS ISSUED APPLICABLE TO THE SINGLE AUDIT**

The State's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2002 is available in hard copy from the State Controller's Office and electronically at:

<http://www.sco.state.co.us/cafr/cafr.htm>



Joanne Hill, CPA  
State Auditor

**STATE OF COLORADO  
STATEWIDE SINGLE AUDIT  
FISCAL YEAR ENDED JUNE 30, 2002**

**Authority, Purpose, and Scope**

This audit was conducted under the authority of Section 2-3-103, C.R.S., which authorizes the Office of the State Auditor to conduct audits of all departments, institutions, and agencies of state government. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and the financial and compliance standards contained in the *Government Auditing Standards* issued by the U.S. General Accounting Office. We performed our audit work during the period January 2002 through November 2002.

The purpose of this audit was to:

- Express an opinion on the State's Financial Statements for the fiscal year ended June 30, 2002.
- C Express an opinion on the State's Schedule of Expenditures of Federal Awards for the fiscal year ended June 30, 2002.
- C Review internal accounting and administrative control procedures as required by generally accepted auditing standards.
- C Evaluate compliance with applicable state and federal laws, rules, and regulations.
- C Evaluate progress in implementing prior audit recommendations.

We expressed an unqualified opinion on the State's Financial Statements and an unqualified opinion on the State's Schedule of Expenditures of Federal Awards for the fiscal year ended June 30, 2002. Our opinion on the Financial Statements is presented in the State's Comprehensive Annual Financial Report, which is available in hard copy from the State Controller's Office and electronically at <http://www.sco.state.co.us/cafr/cafr.htm>. Our opinion on the Schedule of Expenditures of Federal Awards is presented under the Federal Awards Schedule section of this report.

*For further information on this report, contact the Office of the State Auditor at (303) 869-2800.*

## **General Fund Shortfalls**

During Fiscal Year 2002 Colorado experienced significant decreases in revenue due to an overall economic decline similar to that experienced in many states. To deal with the budget gaps, states are considering a variety of measures including drawing down reserve balances, cutting programs, reducing Medicaid eligibility, changing personnel policies, delaying capital projects and, in some instances, raising taxes.

Colorado is limited by various legal constraints regarding the cost containment measures that are available. Like most states, Colorado is required to balance its budget annually. Article X, Section 16 of the Colorado Constitution prohibits the State from budgeting more expenditures than revenue earned for a fiscal year. Article XI, Section 3 of the Colorado Constitution prohibits the State from obligating its resources beyond one year, with the exception of capital construction.

In addition, the State must comply with limitations on revenue and spending established by Article X, Section 20 (TABOR) of the Colorado Constitution. TABOR limits the increase in the amount of revenue that the State can spend each fiscal year to the annual inflation rate plus the percentage change in the State's population. Revenue in excess of this limitation must be refunded to the taxpayers in the following year unless voters approve a revenue change that allows the State to keep the excess. House Bill 98-1414 authorized the State to defer, for budget purposes, the recognition of the TABOR liability from the year in which the refund is incurred to the following year. This resulted in the State's delaying budgeting for the \$927.2 million in TABOR refunds incurred in Fiscal Year 2001 until Fiscal Year 2002. This deferral contributed to the budgetary shortfall experienced in Fiscal Year 2002 because of the decline in state revenue in that year. Additionally, TABOR requires the State to reserve 3 percent of revenue for emergencies. Due to lack of adequate cash, the State's required \$217.5 million reserve includes \$96.8 million of capital assets in the Wildlife Cash Fund (44 percent of the reserve).

The State began Fiscal Year 2002 with an unreserved fund balance in the General Fund of \$255.6 million, and at that time, general fund revenue was projected at \$6.542 billion for the year. However, actual Fiscal Year 2002 revenue was only \$5.575 billion, or about 15 percent lower than anticipated. In order to meet constitutional requirements prohibiting a deficit fund balance in the General Fund at year-end, the Governor initiated cost containment measures including halting many capital construction projects, implementing a temporary hiring freeze, and requiring a 1.5 percent overall cut in expenditures. Additionally, the General Assembly authorized the transfer of about \$790 million in fund balances from various cash funds to the General Fund (see Appendix C for a listing of the transfers). Further, the General Assembly reduced the statutory reserve required under Section 24-75-201.1(1)(d)(VI), C.R.S., from 4 percent of general fund expenditures to zero, which provided an additional \$213.7 million. At June 30, 2002, the unreserved fund balance in the General Fund was \$137.6 million.

The reduction of the 4 percent reserve requirement and the transfers from cash funds to the General Fund are short-term solutions to balancing the State's budget. If revenue continues to decline in Fiscal Year 2003 as projected, actual cuts in programs and personal services will be required. (For further information on the State's financial condition, see the "Management's Discussion and Analysis" prepared by the State Controller in the State's Comprehensive Annual Financial Report.)

The State also faces the long-term impact of the \$790 million in transfers from the various cash funds to the General Fund. The General Assembly passed 11 bills authorizing these transfers, and Section 24-75-201.5, C.R.S., allows for transfers to avoid deficits in the General Fund. The State Controller appropriately disclosed the transfers in the State's Fiscal Year 2002 Financial Statements (see Note 31 in the Comprehensive Annual Financial Report). The transfers mean that these funds will not be used for the specific purposes originally intended under state law. For example, the transfers included the elimination of \$253.4 million set aside for financing the ongoing maintenance of state buildings, reductions of \$141.6 million for financing programs funded by monies from the Tobacco Litigation Settlement Agreement, and reductions of \$211.5 million in funding designated for major medical claims under the State's Workers' Compensation program. The reduction or elimination of these and other set-asides will result in greater demands on the General Fund in the future, as well as reductions in programs and possible increases in fees.

## **Current Year Findings and Recommendations**

This report presents the results of the Statewide Financial and Compliance Audit for Fiscal Year 2002. The report may not include all findings and recommendations from separately issued reports on audits of state departments, institutions, and agencies. However, in accordance with the Single Audit Act, this report includes all findings and questioned costs related to federal awards that came to our attention through either the Statewide Financial and Compliance Audit or other audits.

As part of our Statewide Financial and Compliance Audit, we examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements. We considered the internal controls over financial reporting; tested compliance with certain provisions of federal and state laws, regulations, contracts, and grants; and tested account balances and transactions for proper financial reporting. The following presents highlights of findings included in our report. Please refer to the Recommendation Locator following this summary for a complete listing of all recommendations, agency responses, and implementation dates, as well as references to the location of each recommendation in the report.

## **Internal Controls**

Agencies are responsible for having adequate controls in place to ensure compliance with laws and regulations and with management's objectives. As part of our audit, we tested controls over the processing



## SUMMARY

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of transactions and accounting for financial activity and identified the need for improvements in the following areas.

- The Department of Revenue lacks controls over income tax credits to ensure claims for credits are valid. We examined 205 income tax returns to test controls over the 15 TABOR refund mechanisms in place in Fiscal Year 2002 and determined that 54 returns (26 percent) were erroneously granted tax credits totaling \$248,902. In addition, we reviewed the Department's controls over the charitable contributions deduction and determined that the State may have received about \$198,000 less in revenue because the Department lacks necessary reviews to determine if the deductions are valid.
- The Department of Revenue's controls over manual adjustments made to tax returns are inadequate. We identified an instance in which an improper adjustment to a return erroneously resulted in a \$327,000 reduction in the TABOR liability. We found that the Department does not have sufficient controls over system-generated letters to taxpayers when manual adjustments were made.
- Our prior audit found that some taxpayers do not receive their personal property tax refunds. In our Fiscal Year 2002 audit, we noted similar problems. We identified 2,400 outstanding personal property tax refund checks totaling \$2.1 million, many issued more than a year before.
- We reviewed the Department of Personnel and Administration's \$27 million annual payroll and found a lack of segregation of payroll duties and inadequate compensating controls, inconsistencies between the State's payroll database and related employee withholding documents, and errors in biweekly payroll calculations.
- The Department of Human Services did not have adequate controls over year-end exhibits submitted to the State Controller's Office for preparation of required financial disclosures. We found errors related to reporting of risk financing, changes in long-term liabilities, capital lease reporting, estimates for accounts payable, and federal grant expenditures.
- The Department of Natural Resources needs to strengthen controls over procurement cards. We found problems with 21 of the 25 employee cardholder statements tested. Problems included lack of review of monthly statements by supervisors, the absence of agreements signed by supervisors indicating an acknowledgment of their responsibilities to monitor card usage, and a lack of agreements from employees documenting their acceptance of responsibility for appropriate usage of the card.

- We found that four departments (Departments of Labor and Employment, Natural Resources, Personnel and Administration, and Regulatory Agencies) did not properly record certain revenue and accounts receivable at fiscal year-end and that the four need to improve procedures for year-end adjustments.

## Financial Reporting

Agencies are responsible for accurately reporting financial activity. In addition, the State Controller's Office (SCO) minimizes the risk of inaccurate reporting by establishing standard policies and procedures. As part of our audit, we reviewed the policies and procedures related to financial reporting that were in place at both the SCO and agencies, and tested a sample of financial transactions to ensure that financial activity was reported properly.

During Fiscal Year 2002 the State Controller's Office implemented Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*, which establishes new financial reporting requirements for governments. These requirements significantly restructured the information presented in the State's Financial Statements and resulted in new information being presented. We found two areas for improvement related to the implementation of Statement No. 34.

- Inconsistencies exist in how some transactions were categorized between the State's and the higher education institutions' statements of cash flows. For example, the higher education institutions reported gifts of approximately \$72.8 million in the cash flows from noncapital financing activities section, while on the State's financial statements only \$1.3 million of gifts are reported this way. We also identified a difference of \$32 million between the statement of cash flows for the State and the Student Obligation Bond Authority (CSOBA) because the definition of cash used by CSOBA was different than that prescribed by the State.
- New requirements for capitalization and depreciation of certain long-lived assets resulted in errors in estimated useful lives for buildings and/or leasehold improvements, as well as the need for establishment of capitalization thresholds. We also noted that the Department of Transportation did not record accumulated depreciation of \$18 million in prior years, and \$700,000 in the current year, until our audit brought the need for the entries to the Department's attention.

## Federal Grants

The State received about \$4.6 billion in federal grants in Fiscal Year 2002. As part of our audit, we determined compliance with federal regulations and grant requirements. The audit work included, among

## SUMMARY

other requirements, testing of allowable activities, allowable costs, cash management, eligibility, reporting, and subrecipient monitoring.

**Medicaid:** The Medicaid program, administered by the Department of Health Care Policy and Financing (HCPF), is the State's largest federal program. During Fiscal Year 2002, Medicaid expenditures exceeded \$2.3 billion (state and federal funds). Some of the more significant problems noted with the management of the Medicaid program were as follows:

- Adequate controls are not in place to ensure all Medicaid providers are properly licensed and have signed required agreements with the State. We tested a sample of 30 Medicaid provider files and found that only 6 had appropriate documentation on file.
- Erroneous payments were made. For the Residential Treatment Centers (RTC) program, we tested nearly 1,500 claims filed during one month to determine whether the claims submitted by providers were accurate. We found at least one error in 455 (30 percent) of the claims tested; further, these errors were not detected by the Medicaid Management Information System, which processes Medicaid claims. These errors totaled over \$98,000 for the month tested.
- Program overlaps resulted in excess payments. State law prohibits Medicaid-eligible individuals from being served in the Colorado Indigent Care Program (CICP). We tested a three-month period and identified 1,600 individuals enrolled in Medicaid who received services under CICP in the same period. We estimated that providers were reimbursed about \$554,800 under CICP for these services which should have been covered under Medicaid. Additionally, since most Medicaid recipients are under managed care, the State likely paid monthly capitation payments to providers under the Medicaid program on behalf of many of these 1,600 individuals.

**Cash Management:** The Cash Management Improvement Act (CMIA) was established to regulate the transfer of federal funds between federal and state agencies for certain large federal programs. The Office of the State Treasurer is responsible for the coordination of CMIA for Colorado. In Fiscal Year 2002, 30 federal programs were covered by CMIA at seven different state agencies. These programs had federal expenditures of about \$1.4 billion. We found problems related to cash management at three departments. For example, we found that the Department of Human Services requested federal funds one to five days later than required for 22 of the 34 electronically issued payments tested (65 percent) and one day earlier than allowed for 35 of the 53 warrants tested (66 percent).

**Student Financial Aid:** State higher education institutions paid out about \$349 million in student loans and grants in Fiscal Year 2002. We found the following problems at various state schools.

- At seven institutions, including six community colleges, controls were not adequate to prevent overpayments to students receiving financial aid and to ensure the return of federal funds in cases where students withdrew from school. Two institutions' files did not contain evidence of the required counseling session for students that were leaving school.
- At two institutions, documentation in student files was not sufficient to support decisions such as student loan deferments or cancellations or for determining the amount of families' required contributions, which affects the amount of student aid provided.
- At one institution, controls were lacking over vocational education grant monies to ensure that disbursements were not made in advance of expenditures by subrecipients. In addition, controls were not sufficient to ensure funds were spent in accordance with federal requirements.

**Foster Care, Temporary Assistance for Needy Families (TANF), Low-Income Energy Assistance Program (LEAP), and Subsidized Adoption:** We found problems at the Department of Human Services with the administration of other federal programs. These four programs represent over \$227 million, or 33 percent, of the \$699 million in federal funds expended by the Department in Fiscal Year 2002. We noted the following areas where improvements were needed.

- Fiscal and programmatic controls over the Foster Care program are inadequate. For example, we found a lack of documentation to support \$29,000 in charges for Medicaid-reimbursed case management services claimed by child placement agencies (CPAs), and we identified questionable expenditures totaling more than \$1.1 million (all funding sources) across 6 of the 10 CPAs reviewed (65 percent). Expenditures included payments to family members and payments for personal items. We also determined that the Department did not conduct federally required quality assurance reviews for the 9,400 children receiving "in-home" services or placed in foster care for fewer than six months during Fiscal Year 2002.
- We sampled 79 Subsidized Adoption case files and found that in 24 cases (30 percent), providers paid children past the legal age when the subsidy should end. The State could be liable to the federal government for about \$233,000 of these funds.
- We found that the Colorado Trails system, designed to meet new federal reporting requirements for children in Subsidized Adoption and Foster Care, contained duplicate client and provider records causing reports to be inaccurate. Duplicate records and problems with the system's interface with the County Financial Management System contributed to inaccurate provider payments. A balance of \$650,000 in potential overpayments was unresolved at the time of our audit.

## **SUMMARY**

- Our audit of the TANF Diversion Program indicated problems in 77 of the 239 cases in our sample. In total, we identified \$94,000 in questioned costs. We also noted that the Department did not perform the federally required match of applicants' financial information against other databases, such as the State's wage database from the Department of Labor and Employment, to ensure applicants met income limitations.
- Our review of 400 LEAP files indicated that the Department needs to ensure that counties sufficiently document information used to determine eligibility, calculate benefit amounts, and determine adherence to timeliness standards.

### **Communication of Audit-Related Matters**

There were no significant or unusual matters reported in connection with the audit of the State of Colorado for the year ended June 30, 2002. Areas in which uncorrected misstatements were aggregated during the Fiscal Year 2002 audit were determined by management and the Office of the State Auditor to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The net effect of the uncorrected misstatements would have been to decrease the fund balances by about \$2.3 million, decrease assets by about \$8.6 million, increase liabilities by almost \$3 million, increase revenue by about \$4.8 million, and increase expenditures by about \$3.1 million. See Appendix B, which shows the net and gross passed audit adjustments by agency and the net and gross posted audit adjustments by agency.

### **Recommendation Locator**

The Recommendation Locator following this summary is arranged by department. In addition, Appendix A contains a separate Locator with additional columns to provide the information necessary to meet Single Audit reporting requirements. The CFDA No./Compliance Requirement/Federal Entity column indicates the federal program, category of compliance requirement, and applicable federal agency. The contact for the Corrective Action Plan designates the state agency contact person. For those findings not subject to the Single Audit Act, the CFDA No./Compliance Requirement/Federal Entity column is marked "not applicable."

### **Summary of Progress in Implementing Prior Year Recommendations**

This report includes an assessment of the disposition of prior audit recommendations reported in both the Statewide Single Audit Reports and the Statewide Financial and Compliance Audit Reports for Fiscal Years 1997 through 2001. If a recommendation was reported in both reports, it has only been included once in the following table. Additionally, prior years' recommendations that were implemented in Fiscal Year 2001 are not included.

<b>Statewide Single and Financial Audit Reports by Fiscal Year<sup>1</sup></b>					
	<b>Total</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1997</b>
Implemented	70	54	13	3	0
Partially Implemented	24	18	1	4	1
Not Implemented	9	9	0	0	0
Deferred	11	8	3	0	0
Ongoing	2	2	0	0	0
No Longer Applicable	1	0	1	0	0
<b>Total</b>	<b>117</b>	<b>91</b>	<b>18</b>	<b>7</b>	<b>1</b>

<sup>1</sup> All recommendations from the Fiscal Year 1998 audits have been implemented, carried forward to a subsequent year, or are no longer applicable.

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## RECOMMENDATION LOCATOR

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<b>Rec. No.</b>	<b>Page No.</b>	<b>Recommendation Summary</b>	<b>Agency Response</b>	<b>Implementation Date</b>
1	32	The Department of Corrections should establish a policy for recording the value of donated property.	Partially agree	3/1/2003
2	35	The Colorado Historical Society should perform a complete physical inventory at fiscal year-end or another specified time.	Agree	6/30/2003
3	40	The Department of Human Services should improve controls over the preparation of fiscal year-end exhibits submitted to the State Controller's Office to ensure that information is accurate and complete.	Agree	8/1/2003
4	47	The Department of Labor and Employment should perform a comparison of actual collections received for overpayments to the percentages used to adjust the allowance for doubtful accounts on an annual basis and adjust the percentages as necessary.	Agree	6/30/2003
5	48	The Department of Labor and Employment should maintain copies of detail listings of all benefit overpayment accounts at fiscal year-end.	Agree	6/30/2003
6	49	The Department of Labor and Employment should ensure that the "genesis!" system will generate reports listing benefits payable at any point in time and use this information to record benefits payable on the State's financial system.	Agree	6/30/2004
7	51	The Department of Labor and Employment should ensure that reconciliations between all workers' compensation information systems and the State's accounting system are performed on at least a quarterly basis throughout the year and that any discrepancies between systems are resolved on a timely basis.	Agree	Implemented

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## RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
8	56	The Department of Natural Resources should improve the administration and monitoring of the procurement card program by ensuring that (a) all monthly procurement card statements are reviewed and signed by both the employee and the approving official, (b) all employees and approving officials have signed cardholder agreement and/or approving official forms, and (c) reviews of procurement card statements are performed in accordance with policy.	Agree	3/31/2003
9	58	The Department of Natural Resources should improve controls over capital assets by (a) performing an annual physical inventory at all of its locations; (b) establishing reasonable useful lives for original assets and additions to those assets based upon its own experience and documented assumptions and ensuring that the useful lives of improvements are the same as or less than the original asset; (c) raising its capitalization thresholds to the levels recommended by the State Controller's Office, or establishing other reasonable thresholds based upon documented experience; and (d) making the proper adjustments to the State's accounting system based upon the results of its physical inventory, its review of established useful lives, and its reevaluation of capitalization criteria.	a. Agree b. Agree c. Partially agree d. Agree	6/30/2003
10	61	The State Board of Land Commissioners should improve surface lease procedures and systems through the following: (a) continuing to streamline its lease renewal process in order to reduce or eliminate the backlog, (b) billing for back rents on expired leases based upon the "hold-over tenant" concept, (c) recording revenue in the proper fiscal year, and (d) implementing the new State Management System (SAM) as soon as possible.	Agree	a. 9/1/2002 b. 6/30/2003 c. 9/1/2002 d. 6/30/2003
11	63	The Division of Wildlife should request reimbursement for its GOCO-related expenditures on a monthly basis.	Agree	1/31/2003



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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
12	65	The Division of Wildlife should improve controls to reduce the number of cancelled payments by (a) ensuring vendor information is correct before issuing payments to vendors, (b) documenting the reason for cancelling a warrant on the original payment voucher, and (c) determining the reason for recurring problems with payment vouchers and strengthening management controls to prevent them from occurring in the future.	Agree	3/1/2003
13	70	The Department of Personnel and Administration should improve the payroll function by (a) segregating the payroll processing and reconciliation duties, (b) reviewing employee personnel files and reconfirming that withholding documentation is accurate and complete, (c) implementing adequate supervisory reviews over the payroll calculation, and (d) ensuring adequate compensating controls are in place if payroll duties are not segregated.	Agree	a. 3/1/2003 b. 9/2002 c. 3/1/2003 d. 1/2003
14	72	The Department of Personnel and Administration should implement procedures to review Central Collections' supporting documentation prior to approval of payments.	Agree	7/1/2003
15	73	The Department of Personnel and Administration should properly classify revenue for TABOR purposes.	Agree	7/2002
16	75	The State Controller's Office should refine the methods used to compile the statement of cash flows and the statement of revenues, expenses, and change in fund net assets by (a) working with higher education institutions to develop a consistent interpretation of Governmental Accounting Standards Board Statement No. 9 to be used in categorizing accounting transactions in the statement of cash flows, and (b) assisting the Student Obligation Bond Authority to ensure that transactions are properly categorized and reported.	Agree	9/20/2003

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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
17	79	The Department of Regulatory Agencies should establish and maintain analytical review procedures over revenue for the Department's divisions and commissions, and investigate significant variations.	Agree	1/2003
18	86	The Department of Revenue should develop controls to ensure that future TABOR credits are claimed and received only by eligible individuals by (a) identifying and billing individuals who were ineligible to claim TABOR credits; (b) implementing a methodology to verify taxpayers' federal adjusted gross income at the time a credit is claimed and to ensure that taxpayers are eligible for the credits taken; and (c) processing only complete returns, or evaluating alternative methods of ensuring that only qualifying credits are claimed, should the taxpayer fail to submit the required schedules.	a. Agree b. Partially agree c. Agree	a. 3/31/2003 b. None provided c. 12/31/2003
19	89	The Department of Revenue should enhance controls over manual adjustments made to taxpayer returns by (a) performing reviews of data entered into its system on all returns with income of \$10 million or more, (b) developing procedures for reviewing manual adjustments to tax returns made by the Problem Resolution Unit, and (c) ensuring that staff making manual adjustments to tax returns do not improperly override system-generated letters to taxpayers.	Agree	a. 1/1/2004 b. 6/2004 c. 6/2004
20	91	The Department of Revenue should develop and implement procedures to review charitable contribution deductions claimed by taxpayers.	Partially agree	7/1/2004

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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
21	94	The Department of Revenue should resolve outstanding check issues to ensure that taxpayers receive their personal property tax refunds in a timely manner by working with the General Assembly to extend legislation to allow personal property tax refunds to be turned over to the Treasurer's Unclaimed Property Section.	Agree	12/2004
22	103	The Department of Transportation should analyze invoices received for the costs incurred on construction projects, and record appropriate costs in accordance with the terms of the contracts.	Agree	12/31/2001
23	104	The Department of Transportation should ensure the proper recording of capital assets.	Agree	6/30/2003
24	106	The Department of Health Care Policy and Financing should ensure payments are made only for allowable costs under the Medicaid program by (a) continuing to monitor and document the results of the newly established procedures to randomly test pharmaceutical providers' compliance with requirements for maintaining chronological logs of the Medicaid recipient signatures, and (b) performing periodic reviews of services that require prior authorization and ensuring that MMIS system edits are properly identifying and denying services lacking the required authorization.	Agree	a. Ongoing b. 3/2003
25	109	The Department of Health Care Policy and Financing should strengthen controls over the data in systems used as the basis for determining beneficiaries' eligibility to receive Medicaid services by (a) performing random testing of eligibility information in the COIN and Trails systems and making corrections as appropriate and (b) establishing procedures to ensure that COIN is updated accurately to reflect the date of death for all beneficiaries and that payments that are made after the beneficiary's death are recovered from providers.	Agree	1/2004

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## RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
26	111	The Department of Health Care Policy and Financing should continue to improve controls over provider eligibility by (a) requiring the fiscal agent to review all provider files to ensure each file includes a current provider agreement and documentation of applicable provider licenses and registrations, (b) revising control procedures to ensure expenditures are made only to eligible providers, and (c) developing procedures to update provider licensing information on an annual basis to ensure its accuracy for changes that occur throughout a given year.	Agree	a. 11/1/2003 b. 2005 c. Ongoing
27	113	The Department of Health Care Policy and Financing should date stamp all rate revisions and reviews when received and all rate information sent to provider facilities.	Agree	11/1/2002
28	114	The Department of Health Care Policy and Financing should require that the fiscal agent generate accurate claims summary reports for settling all hospital outpatient service claims payments within a specified time frame. If reports meeting the Department's requirements are not produced within the time frame, the Department should assess liquid damages against the fiscal agent.	Agree	1/2003
29	119	The Department of Human Services should implement procedures to ensure that only allowable costs for RTC services are paid.	Agree	7/1/2003
30	120	The Department of Health Care Policy and Financing should implement procedures to ensure that only allowable costs for RTC services are paid by verifying the accuracy of RTC provider billing and payment information through periodic audits, requiring additional MMIS payment edits, and seeking to recover overpaid amounts.	Agree	10/2002

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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
31	125	The Department of Health Care Policy and Financing should follow up on the results of the data match performed by the Office of the State Auditor between the Colorado Indigent Care Program and the Medicaid program, and seek reimbursement as appropriate.	Partially agree	7/1/2002
32	126	The Department of Health Care Policy and Financing should ensure that applicants for the Colorado Indigent Care Program are screened for Medicaid eligibility in all appropriate instances by training providers on Medicaid eligibility screening procedure.	Agree	7/1/2002
33	126	The Department of Health Care Policy and Financing should ensure post-year-end retroactive adjustments are made to charges for the Colorado Indigent Care Program by developing and implementing procedures for providers to report these adjustments.	Agree	10/31/2002
34	131	The Department of Health Care Policy and Financing should reduce the projected Fiscal Year 2002 payment for University Hospital to reflect the provider's overbilling of the State related to the Medicare contractual adjustments of approximately \$6.7 million and work with the Centers for Medicare and Medicaid Services to determine additional actions the State should take with respect to prior overpayments.	Agree	7/1/2002
35	131	The Department of Health Care Policy and Financing should ensure charges submitted for the Colorado Indigent Care Program are consistent with the program's intent and reported on the same basis for all providers by (a) developing formal policies regarding the basis for reported charges treatment of adjustments and (b) performing periodic on-site testing of charges and related adjustments.	Agree	a. 7/1/2002 b. None provided

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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
36	136	The Department of Health Care Policy and Financing should develop and implement controls over the reimbursement process for the Colorado Indigent Care Program (CICP) by (a) applying the reimbursement methodology consistently to all providers within each CICP provider category and documenting the reasons for any exceptions; (b) obtaining audited information on which to base providers' cost-to-charge ratios; (c) requiring, in instances where audited information is not available, that providers submit all necessary supporting documentation; and (d) informing providers about all policies and procedures related to determining provider reimbursements.	Agree	10/31/2002
37	139	The Department of Health Care Policy and Financing should improve controls over the certification process for the Colorado Indigent Care Program (CICP) by (a) formally documenting annual comparisons of certified public expenditures by each provider to the provider's actual CICP write-off costs, (b) obtaining confirmation from the federal Centers for Medicare and Medicaid Services on whether shortfalls in certified expenditures under Component 1A may be offset by excess certifiable expenditures under a different amendment to the State Plan, (c) informing providers of the purpose of certification and that expenditures cannot be certified if they are reimbursed by other federal funds, and (d) requiring that providers include an assurance in each quarterly certification letter stating that no federal funds were received as reimbursement for the certified expenditures, other than those through CICP.	Partially agree	a. Not applicable b. 7/1/2002 c. 7/1/2002 d. 7/1/2002

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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
38	142	The University of Colorado Health Sciences Center should strengthen controls over the student reconciliation process. Specifically, (a) controls should be formalized into written policies and procedures and should be clearly communicated to Bursar's Office staff; (b) controls should be periodically reviewed to ensure they are being followed consistently and appropriately; and (c) the Office of the Bursar should work to clear outstanding reconciling items between the Student Information System, the loan servicer, and the general ledger, on a timelier basis.	Agree	12/31/2002
39	147	The University of Southern Colorado should for the Federal Perkins Loan Program (a) strengthen procedures to ensure that adequate documentation is obtained from borrowers to support financial hardship for deferment or cancellation of student loans, (b) modify its loan collection program to ensure that the date a student loan enters repayment status is calculated in accordance with federal guidelines, and (c) strengthen procedures to ensure that student withdrawal information is reported to the National Student Loan Data System for all students.	Agree	a. 11/2002 b. 3/2003 c. 1/2003
40	151	Pikes Peak Community College should establish procedures to ensure that professional judgments are clearly based on the supporting documentation received from the students and that the professional judgments are adequately documented, providing a clear audit trail.	Agree	6/2003
41	152	Front Range Community College should establish procedures to ensure that all graduating Federal Direct Loan borrowers who do not complete exit counseling before graduating receive written exit counseling materials within 30 days following their graduation. Front Range Community College and Trinidad State Junior College should establish procedures to ensure that exit counseling is provided to borrowers who cease at least half-time attendance.	Agree	6/2003

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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
42	153	Trinidad State Junior College should establish procedures to ensure that the withdrawal dates of students who withdraw without providing notification are determined at the latest within 30 days after the end of the term.	Agree	6/2003
43	154	Front Range Community College should establish procedures to ensure that the institution's portion of a student's unearned Title IV funds are returned within 30 days after the school has determined a student has withdrawn.	Agree	6/2003
44	155	Front Range Community College - Westminster should establish procedures to ensure students are requested to repay required grant overpayments.	Agree	6/2003
45	156	Community College of Denver should establish procedures to ensure that Return of Title IV Funds calculations are made properly and to ensure that the school's portion of the unearned aid is returned. This should include a review of all Title IV Funds calculations during the period in question, and errors should be corrected and appropriate action taken.	Agree	6/2003
46	157	Front Range Community College should establish procedures to ensure that the proper institutional charges are used in the Return of Title IV Funds calculations.	Agree	6/2003
47	158	Community College of Denver, Pikes Peak Community College, Pueblo Community College, and Front Range Community College - Larimer should establish procedures to ensure that Spring Break is properly excluded from the Return of Title IV Funds calculations.	Agree	6/2003

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## RECOMMENDATION LOCATOR

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<b>Rec. No.</b>	<b>Page No.</b>	<b>Recommendation Summary</b>	<b>Agency Response</b>	<b>Implementation Date</b>
48	159	Pikes Peak Community College should establish procedures to ensure that the Eligibility Certification Approval Report is kept available for review by auditors.	Agree	6/2003
49	161	Trinidad State Junior College should consider the need to automate the award packaging process and consider the need for additional mitigating controls to ensure proper segregation of duties for carrying out the SFA programs.	Agree	6/2003
50	162	Colorado Community College System should evaluate the student financial aid findings noted above and ensure all colleges are in compliance and have adequate internal control over the areas noted. Develop systemwide policies to address key student financial requirements such as Return of Title IV Funds and professional judgments.	Agree	6/2003
51	164	Colorado Community College System should ensure funds are disbursed to subrecipients only on an as-needed basis and only reimburse subrecipients for amounts expended on allowable costs, where the expenditures are adequately documented.	Agree	6/2003
52	165	Colorado Community College System should strengthen monitoring procedures and the documentation over subrecipients receiving funds for the Carl Perkins - Vocational Education program.	Agree	6/2003
53	166	Colorado Community College System should strengthen controls over its cash management process to ensure requests for reimbursement are for costs incurred.	Agree	6/2003
54	168	The Colorado School of Mines should develop subrecipient monitoring documentation policies and procedures to ensure that subrecipient files are properly maintained and monitored.	Agree	04/2003

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## RECOMMENDATION LOCATOR

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<b>Rec. No.</b>	<b>Page No.</b>	<b>Recommendation Summary</b>	<b>Agency Response</b>	<b>Implementation Date</b>
55	169	The Colorado School of Mines should follow the policies and procedures to ensure close-out procedures are documented for each project completed to prevent erroneous expenses being charged to these projects and ensure compliance with all applicable laws and regulations.	Agree	01/2003
56	170	The Colorado School of Mines should develop a process for reviewing financial aid awards to ensure that Pell Grants are awarded in the correct amount.	Agree	03/2003
57	171	The Colorado School of Mines should develop policies and procedures to help ensure that all communications with National Student Loan Data System are complete, accurate, and timely.	Agree	02/2003
58	172	The Colorado Student Loan Program should ensure that all new processes affecting the default aversion fee billing system are adequately tested to avoid unforeseen impacts on the system and possible errors.	Agree	07/2002
59	173	The Colorado Student Loan Program should develop procedures to ensure that default aversion fees are computed on the correct base amounts.	Agree	07/2002
60	175	The Colorado Student Loan Program should refund excess interest to borrowers and develop and implement procedures to detect and correct interest calculation transactions.	Agree	09/2002
61	180	The Department of Human Services should continue to improve its cash management for federal programs by ensuring federal draws are made timely and in accordance with the CMIA agreement.	Agree	3/31/2003

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## RECOMMENDATION LOCATOR

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<b>Rec. No.</b>	<b>Page No.</b>	<b>Recommendation Summary</b>	<b>Agency Response</b>	<b>Implementation Date</b>
62	182	The Department of Human Services should strengthen the payment review process within the TANF program to ensure expenditures are consistent with supporting documentation, paid timely and charged to the correct fiscal year, and coded to the proper account.	Agree	1/31/2003
63	184	The Department of Human Services should reinstitute and maintain a quality assurance review process over those children receiving in-home and short-term out-of-home Foster Care services.	Agree	1/1/2003
64	187	The Department of Human Services should work to achieve a greater degree of accountability related to Medicaid-reimbursable case management services provided by child placement agencies.	Agree	6/30/2003
65	200	The Department of Human Services should ensure that child placement agencies are meeting state and federal requirements related to how public foster care funds can be spent.	Partially agree	12/31/2003
66	205	The Department of Human Services should ensure that counties pay child placement agencies a reasonable level of compensation based upon individual cost experiences.	Partially agree	7/1/2003
67	208	The Department of Human Services should submit reimbursement claims that include all federal Title IV-E funds available to the State.	Agree	1/1/2003
68	208	The Department of Human Services should ensure that counties' placement and data entry processes result in the Department's accessing all federal Title IV-E funds available to the State.	Partially agree	1/1/2003

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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
69	212	The Department of Human Services should eliminate duplicate records within Trails and enhance input controls by (a) performing regular search processes to identify possible duplicate records and communicating results to counties, (b) providing training to counties over the process of communicating duplication errors to the State, (c) following up with counties to ensure counties are actively resolving duplications, (d) implementing an outlined, specific methodology for county staff to use during the search process, (e) enhancing the search engine; (f) implementing detection controls, and (g) establishing a process where referral information without a valid social security number would be considered a temporary record.	Partially agree	a. 2/2003 b. 3/2003 c. 6/2003 d. Implemented e. In progress f. In progress g. In progress
70	216	The Department of Human Services should take immediate steps to investigate and resolve the \$650,000 in outstanding credits within the County Financial Management System (CFMS), and recover all overpayments. Perform testing of provider payments made through Trails and CFMS to determine the accuracy and validity of payments issued on the basis of Trails data.	Agree	6/2003
71	217	The Department of Human Services should address interface problems between Trails and the County Financial Management System (CFMS) and improve controls over provider payments by (a) implementing modifications to correct provider matching issues between the two systems, (b) establishing provider payment limits that would allow counties to identify excessive payments, and (c) creating standard reconciliation processes to reconcile payments calculated by Trails to payments disbursed through CFMS and collect overpayments.	Partially agree	a. Implemented b. To be considered by County Trails User Group February 2003 c. None provided

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## RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
72	219	The Department of Human Services should ensure that funding source codes are accurate in the Trails system by (a) implementing a system modification to correct the erroneous reversal of funding source codes, (b) requiring that counties submit funding source codes adjustment forms for all errors identified, and (c) providing training to all fiscal staff and caseworkers on entering funding source codes.	Partially agree	Implemented
73	220	The Department of Human Services should enhance the Trails system so that changes made by caseworkers do not inadvertently approve a suspended payment.	Agree	In progress
74	221	The Department of Human Services should ensure system problems with provider payments in Trails are addressed by (a) requiring that staff report all instances of improper payments to the Trails helpdesk, (b) requiring that the helpdesk notify all counties when system problems are identified, and (c) requiring that the helpdesk provide additional instructions to the workers when user errors are identified.	Agree	a. Implemented b. Implemented c. 6/2003
75	224	The Department of Human Services should ensure reports from the Trails system are accurate and meet requirements by (a) providing specialized training to appropriate county workers on reports, (b) working with the counties and other stakeholders to identify critical reports and other reporting issues, and (c) establishing procedures to solicit courts to accept one established format for court documents.	Agree	a. Implemented b. Implemented c. 3/2003
76	226	The Department of Human Services should continue to work with the Department of Health Care Policy and Financing to improve the interface between Trails, COIN, and MMIS.	Agree	Ongoing

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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
77	231	The Department of Human Services should establish adequate controls to ensure that Colorado Works diversion expenditures are in compliance with requirements and meet the program's intent by (a) reviewing diversion case files as part of its periodic and ongoing TANF/Colorado Works monitoring process at county departments of social services, and follow up timely on issues identified; (b) using COIN data on diversion payments to perform periodic risk analyses on counties' Diversion Programs and to perform other follow-up; (c) developing written policies defining appropriate expenditures for diversion and communicating these to county departments of social services; and (d) requiring that all counties identify policies in their annual county plans to identify and recover diversion overpayments and reviewing the implementation of recovery policies.	Agree	a. 10/2002 b. 10/2002 c. Ongoing d. 10/2002
78	233	The Department of Human Services should institute a formal review process for county Colorado Works annual plans for diversion by (a) assigning staff to review annual county plans, (b) establishing a method for providing feedback to counties regarding appropriateness of their plans within a specified time frame and ensuring that required changes are made timely, and (c) determining counties' compliance with their county plans through ongoing case file reviews.	Agree	a. 1/1/2003 b. 1/1/2003 c. 10/2002
79	237	The Department of Human Services should take immediate steps to address the problems identified in the audit regarding county "transitional" programs under TANF/Colorado Works diversion including (a) conducting detailed case file reviews of recipients and payments under county transitional programs and addressing and resolving instances of noncompliance and (b) ensuring that counties are adequately informed about the requirements for payments or services to appropriately be classified as "other assistance."	Agree	a. 10/2002 b. Ongoing

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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
80	239	The Department of Human Services should verify identity and income information submitted by applicants for Colorado Works diversion by (a) processing all diversion applicants through Income, Eligibility, and Verification System (IEVS) on a timely basis, (b) submitting all identified identity and income discrepancies to the counties for investigation and follow-up, and (c) requiring counties to address and resolve discrepancies identified through IEVS in a timely manner.	Agree	a. 10/2002 b. Ongoing c. 9/2002
81	242	The Department of Human Services should ensure information in Colorado Works diversion case files is adequate by (a) establishing and communicating policies that outline the type of documentation to be maintained in county case files and (b) ensuring that counties implement existing state regulations requiring verification of specific applicant-provided information and other information affecting eligibility for diversion.	Agree	Ongoing
82	243	The Department of Human Services should require that counties have policies in their county plans for granting any TANF benefits or services to county employees. Policies should ensure that eligibility determination is performed in compliance with requirements and that potential conflict-of-interest issues are addressed.	Agree	1/2003
83	246	The Department of Human Services should ensure that counties sufficiently document information used to determine eligibility, calculate benefit amounts, and determine adherence to timeliness standards for the Low-Income Energy Assistance Program (LEAP) by (a) requiring applicants to provide a social security number and date of birth for all household members and (b) continuing to emphasize the importance of documentation in training sessions.	a. Disagree b. Agree	b. 9/16/2002

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## RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
84	248	The Department of Human Services should improve the timeliness of the application process by (a) implementing a time requirement for providing Crisis Intervention Program services, (b) continuing to emphasize the importance of documenting actions taken on cases, and (c) evaluating the 50-day time requirement for processing standard LEAP applications.	a. Partially agree b. Agree c. Partially agree	10/1/2002
85	252	The Department of Human Services should improve the accuracy of county administrative and outreach reporting for the LEAP program by (a) ensuring counties use an approved time reporting method, (b) developing and disseminating guidelines on the appropriate uses of administrative funds, (c) continuing to emphasize to county program and fiscal staff the importance of appropriately coding administrative expenditures, (d) requiring documentation for overexpenditures, and (e) reassessing methodology for allocating funds.	Agree	11/1/2002
86	255	The Department of Human Services should improve LEAP program oversight by (a) developing a monitoring plan, (b) enforcing the corrective action plan requirement and following up on the plans in a timely manner, (c) monitoring benefit payments made to utility vendors, and (d) maintaining better communication with the Field Audits Section.	a. Agree b. Agree c. Disagree d. Agree	a. 8/1/2002 b. 8/1/2002 d. 8/1/2002
87	258	The Department of Human Services should improve oversight of Crisis Intervention Program funds by (a) requesting counties randomly follow up with CIP recipients, (b) requiring service providers to submit detailed invoices that include a client signature, and (c) periodically contracting with private vendors to inspect a sample of CIP homes.	a. Disagree b. Agree c. Disagree	b. 10/1/2002



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## RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
88	261	The Division of Child Welfare Services should ensure the State is in compliance with federal and state requirements regarding adoption subsidy payments after children reach the age of 18.	Agree	9/1/2002
89	265	The Division of Child Welfare Services should improve how counties handle adoption subsidies when children are temporarily placed out of their adoptive homes.	Agree	8/1/2003
90	268	The Department of Labor and Employment should work with the State Treasurer to ensure that its draw methods and funding techniques achieve interest neutrality with the federal government.	Agree	Implemented
91	274	The Department of Public Health and Environment should work with the State Treasurer to ensure that the next amendment to the State-Treasury Agreement reflects the cash draw methods and funding techniques that achieve interest neutrality with the federal government.	Agree	7/1/2003
92	277	The Office of the State Treasurer should obtain and use the most current and accurate information available on federal program expenditures to annually amend the Treasury-State Agreement.	Partially agree	6/1/2003
93	278	The Office of the State Treasurer should define the terms and methods used to establish funding techniques and draw patterns and provide to each department subject to the Agreement.	Partially agree	6/1/2003

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# Department of Corrections

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## Introduction

The Department of Corrections manages the State's adult correctional facilities and the adult parole system. The Department also operates the Prison Canteens and the Division of Correctional Industries. The canteens provide various personal items for purchase by inmates, including toiletries, snack foods, and phone services. Correctional Industries operates furniture manufacturing facilities, computer manufacturing, a leather products shop, metal fabrication, a print shop, various farming and ranching facilities, Colorado state forms production and distribution facilities, an automotive service station, and the State's license plate manufacturing facility. Correctional Industries also manages the State's surplus property.

The Department's Fiscal Year 2002 operating budget was approximately \$517.9 million with 5,969.7 full-time equivalent staff (FTE). Administrative offices for the Department are located in Cañon City and Colorado Springs. Correctional facilities are located throughout the State and include Buena Vista, Canon City, Denver, Pueblo, Limon, Ordway, Delta, Rifle, Golden, Sterling, and Fort Lyons.

The following comment was prepared by the public accounting firm of BKD, LLP, who performed audit work at the Department of Corrections.

## Donated Assets

During Fiscal Year 2002 the U.S. Veterans Administration donated a facility to the Department of Corrections that had been operated as a care center for veterans. The facility is located in Fort Lyons, Colorado, and consists of 102 buildings with a total of 579,718 gross square feet. There are 36 significant buildings, 43 employee residences, and 23 miscellaneous support structures. The facility will be converted to a correctional facility with an emphasis on health care services for offenders. It is capable of supporting an inmate population of 1,000.

*Government Accounting Standards* require that donated assets be recorded at fair value. There was no appraisal conducted on the facility; however, an internal survey of the existing campus was conducted by the Department to establish a value for the facility.

Based on the survey, the Department calculated that the replacement cost of the 102 buildings would be approximately \$103 million. However, based on an accumulated depreciation calculation, the actual value recorded on the State's accounting system was \$21.5 million. The method used by the Department does not appear to be the best measurement for determining fair value. The Department's method relied on internal estimates of replacement value, rather than on obtaining information that would have reflected the current market value of the donated facility.

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### **Recommendation No. 1:**

The Department of Corrections should establish a policy to determine how future donated assets will be valued, including the use of appraisers, when the estimated value of the asset exceeds a specific dollar threshold.

### **Department of Corrections Response:**

Partially agree. The Department of Corrections did not have funds available or appropriated to use a professional appraiser to determine the estimated fair market value of the Ft. Lyons assets donated to the State. Due to a lack of funds for an appraisal (lowest bid was \$22,000), the Department internally calculated a fair market value based on outside construction factors, historical prison building costs, and age and condition of the assets. We believe our fair market value calculation of the Ft. Lyons assets was reasonable.

The Department will develop a written internal policy to utilize professional appraisers to value donated assets when the asset fair market value is anticipated to exceed \$5 million. The use of appraisers will be subject to funds being appropriated or available for such services. Policy will be written and implemented effective March 1, 2003.

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# Department of Higher Education

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## Introduction

The Department of Higher Education was established under Section 24-1-114, C.R.S., and includes all public higher education institutions in the State. It also includes the Auraria Higher Education Center, the Colorado Commission on Higher Education, the Colorado Council on the Arts, the Colorado Student Loan Division, the Colorado Student Obligation Bond Authority, the Colorado Historical Society, and the Division of Private Occupational Schools.

State public institutions of higher education are governed by six different boards. The governing boards and the schools they oversee are:

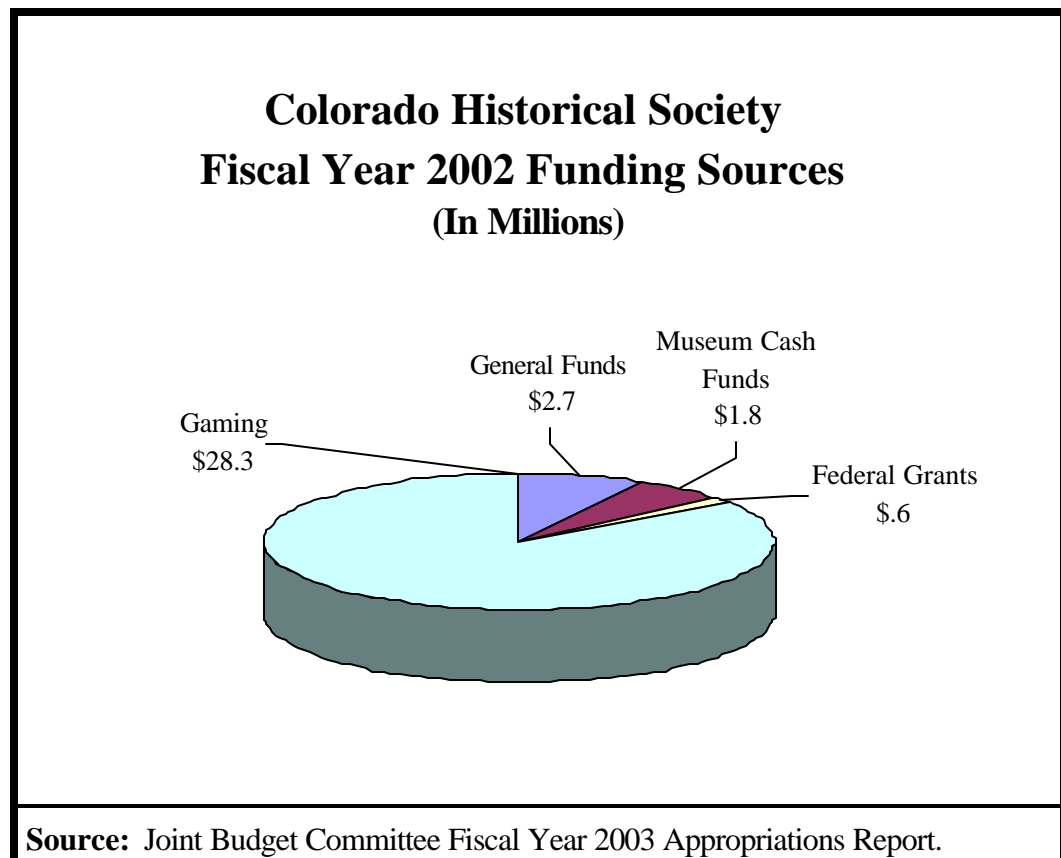
- **Board of Regents of the University of Colorado**
  - University of Colorado at Boulder
  - University of Colorado at Colorado Springs
  - University of Colorado at Denver
  - Health Sciences Center
- **State Board of Agriculture - Colorado State University System**
  - Colorado State University
  - Fort Lewis College
  - University of Southern Colorado
- **Trustees of the State Colleges of Colorado**
  - Adams State College
  - Mesa State College
  - Metropolitan State College of Denver
  - Western State College
  - Western Colorado Graduate Center
- **State Board for Community Colleges and Occupational Education (SBCCOE)**
  - 13 Community Colleges

- **Trustees of the University of Northern Colorado**  
University of Northern Colorado
- **Trustees of the Colorado School of Mines**  
Colorado School of Mines

## Colorado Historical Society

The Colorado Historical Society, founded in 1879, is statutorily designated as an educational institution in the State. It has exclusive control over the State's historical monuments and in this capacity has the duty to survey suitable sites and structures for historical designation by the State. The Society is charged with administration of a state register of historical properties. It also distributes Gaming revenue to gaming cities through a grant program for historic preservation.

The Colorado Historical Society was appropriated \$33.4 million and 104.4 full-time equivalent staff (FTE) for Fiscal Year 2002. Approximately 85 percent of the funding is from Gaming revenue.



## **Capital Assets Tracking**

State agencies are responsible for ensuring that all capital assets are properly recorded, inventoried periodically, and safeguarded. At June 30, 2002, the Colorado Historical Society had approximately \$14.8 million in capital assets, which consist primarily of art and historical treasures, leasehold improvements, and buildings. This included about \$695,000 in computer equipment and furniture.

We found that the Society properly recorded the majority of its capital assets. However, the Society has not performed a complete physical inventory of its furniture and computer equipment for the past two fiscal years. According to the Society, the inventory listing of capital assets had many incomplete and ambiguous asset descriptions, making some items difficult to identify and count. Agencies are required to perform a physical inventory at fiscal year-end or at another specified time. Since there are incomplete asset descriptions, it is important for the Society to determine that all of its assets are accounted for properly.

We believe improvements to the Society's controls over computer equipment and furniture inventories would ensure that its capital assets are adequately safeguarded and properly recorded on the State's accounting system.

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### **Recommendation No. 2:**

The Colorado Historical Society should perform a complete physical inventory at fiscal year-end or another specified time.

### **Colorado Historical Society Response:**

Agree. We will perform a complete physical inventory on or before June 30, 2003, and at least annually thereafter. We believe the Society's capital assets have been properly recorded on the State's financial system and are appropriately safeguarded through a combination of employee integrity, building security, proper financial recording and physical inventory processes.

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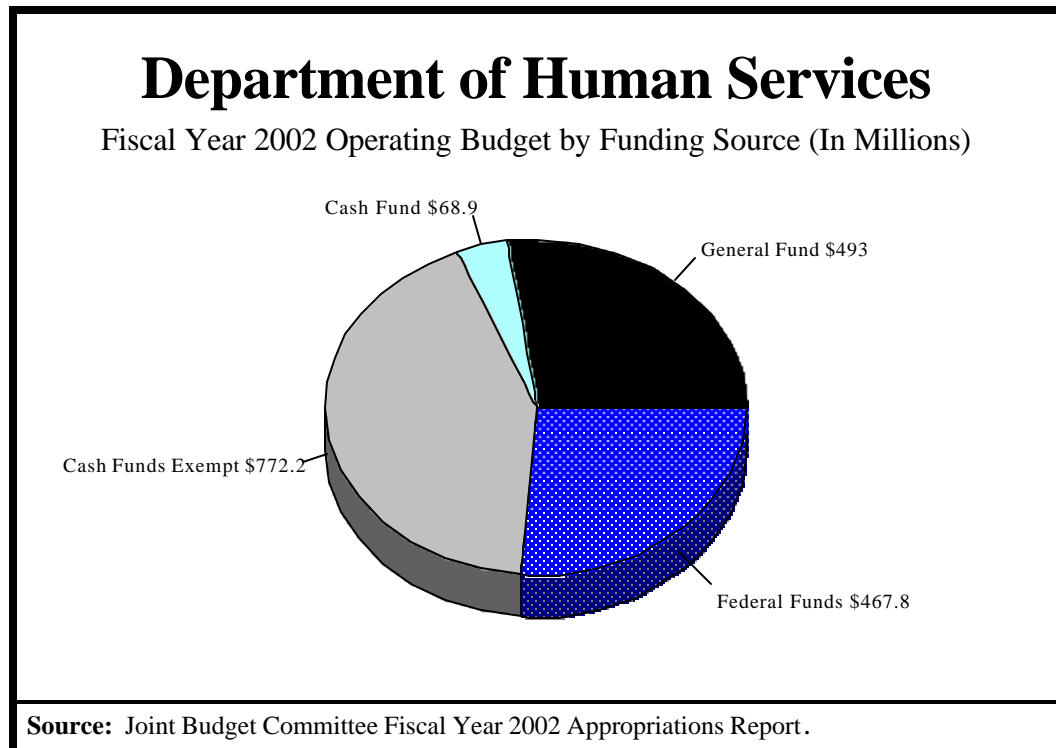
# Department of Human Services

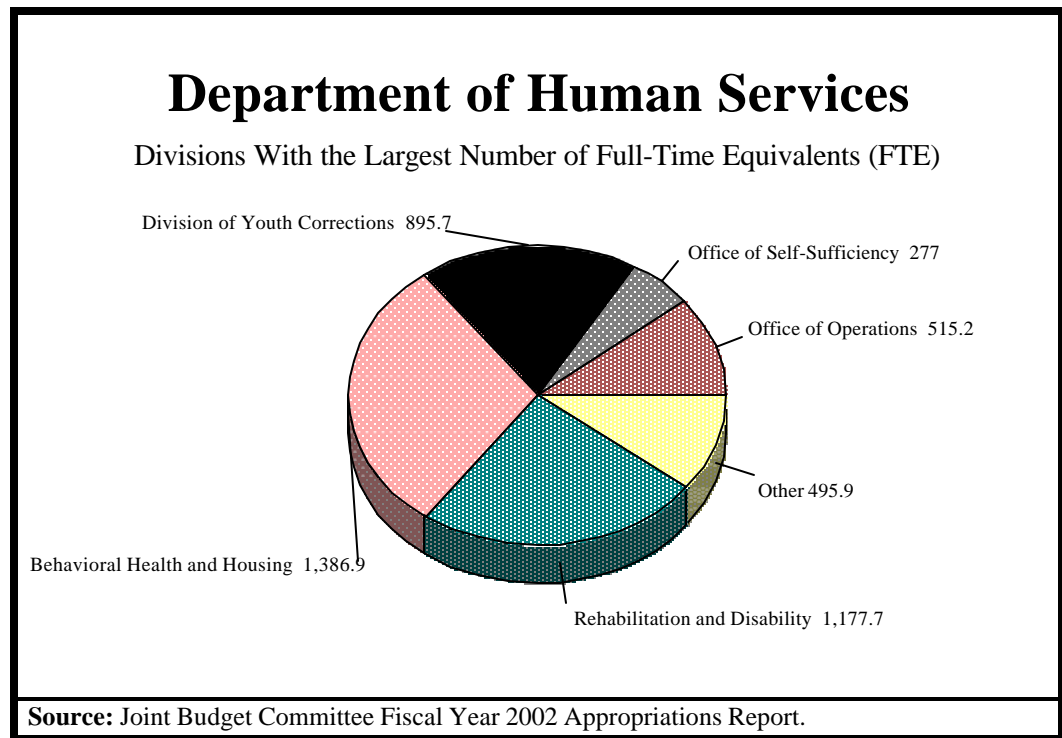
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## Introduction

The Department of Human Services was created on July 1, 1994, to manage, administer, oversee, and deliver human services in the State. The Department supervises the administration of the State's public assistance and welfare programs throughout the State.

Most of these programs are administered through local county departments of social services. In addition to these programs, the Department is responsible for operating a number of facilities that provide direct services, including mental health institutes, nursing homes, and youth corrections. In Fiscal Year 2002 the Department expended approximately \$1.8 billion and had 4,748.4 full-time equivalents (FTE). The following charts show the operating budget by funding source and the divisions/offices with the largest number of FTE, respectively, for Fiscal Year 2002:





We reviewed and tested the Department's internal accounting and administrative controls and evaluated compliance with state and federal rules and regulations. Generally, we found that the Department has adequate administrative and internal controls in place to oversee its operations and meet state and federal requirements. We identified four areas where improvements could assist the Department in effectively managing its responsibilities - one related to financial statement issues and three related to federal awards. Please refer to page 177 in the Federal Awards Findings section for recommendations related to federal awards.

## Preparation of Department Exhibits

At the end of each fiscal year, the State Controller's Office requires all agencies to prepare and submit reports, or "exhibits," for use in compiling the statewide financial statements and required footnote disclosures. Exhibits provide information such as significant accounting estimates made by agencies, detailed information on federal receipts and expenditures, and schedules of capital lease payments. Within each department, each agency is responsible for preparing its own exhibits. During our Fiscal Year 2002 audit we tested the exhibits submitted by the 12 agencies within the Department of Human Services and found that in some instances the information reported was not correct.



We tested 68 exhibits submitted by the Department. We noted that 11 of the 68 exhibits contained errors. Specifically, errors or omissions were found on the following exhibits:

- **Reporting for Risk Financing and Related Insurance Issues:** This exhibit reports the detail of agencies' arrangements for insuring against risks. DHS was self-insured for workers' compensation between July 1985 and June 1990 and is required to submit this exhibit for pending or ongoing claims. We found that because Department staff failed to make an accounting adjustment, the Department's liability for insurance would have been understated by approximately \$150,000 at June 30, 2002.
- **Schedule of Changes in Long-Term Liabilities:** This exhibit reports the changes in long-term liabilities from the previous fiscal year-end. Out of the 12 agencies within DHS that submitted this exhibit, only 2 submitted the exhibit in the format as prescribed in the Fiscal Procedures Manual published by the State Controller's Office. The remaining 10 agencies indicated they deleted one section of the exhibit prior to submission because they had no information to include in that section. However, this section should have been included because it reports amounts due to other funds, and without the section, it was unclear whether the Department had any amounts to report.
- **Schedule of Capital Leases:** The exhibit reports information on payment schedules for capital assets acquired under lease financing. We noted in two instances that amounts recorded on the exhibit did not agree to the amount reported on the State's accounting system, COFRS. These errors totaled approximately \$1,100.
- **Schedule of Federal Assistance:** This exhibit is used for the preparation of the State's Schedule of Expenditures of Federal Awards (SEFA). The SEFA reports all expenditures related to federal grants awarded to the State for the current fiscal year. We identified four errors on the initial and revised exhibits prepared by the Department for its largest agency and one state nursing home. In three cases, expenditures totaling approximately \$14,000, \$124,000, and \$15.5 million, respectively, were classified under the wrong federal program. In the fourth case, the beginning accounts receivable balance was less than the amount recorded on COFRS by \$300.

- **Major Accounting Estimates in Excess of \$1 Million:** This exhibit provides information for major accounting estimates recorded at fiscal year-end. We found that accounts payable reported on the exhibit were erroneously understated by about \$363,000 compared with amounts reported on COFRS.

The Department submitted revised exhibits to the State Controller's Office to correct the identified errors. It is important that the Department improve controls over the preparation of exhibits because this information is the basis for disclosing critical information to users in the footnotes of the State's financial statements, and the submission of revisions can contribute to delays in the timely preparation of the State's financial statements. Improvements would also reduce the need for accounting staff to spend additional time preparing revised exhibits.

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### **Recommendation No. 3:**

The Department of Human Services should improve controls over the preparation of fiscal year-end exhibits submitted to the State Controller's Office to ensure that information is accurate and complete.

### **Department of Human Services Response:**

Agree. The Department of Human Services will enforce the procedure to have someone other than the preparer review each exhibit before submission to the State Controller's Office beginning August 1, 2003.

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# Judicial Department

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## Introduction

Established by the State Constitution, the Judicial Department is a separate branch of the State's government. The Chief Justice of the Supreme Court is the head of the branch and is responsible for establishing administrative procedures for the following courts:

- Supreme Court
- Court of Appeals
- Trial Courts and Probation
  - S 22 district courts
  - S 64 county courts
  - S 7 water courts
  - S 23 probation departments
  - S Denver Juvenile Court
  - S Denver Probate Court

Several offices and committees within the Department operate outside the direction and control of the State Court Administrator to provide services to the Judicial Department. The Office of the Public Defender provides legal representation for the indigent. The Office of Alternate Defense Council provides representation for the indigent when there is a conflict with the Public Defender representing the individual. The Office of the Child's Representative ensures the provision of legal representation to children involved in judicial proceedings in Colorado.

In Fiscal Year 2002 the Department was appropriated approximately \$271.5 million and 3,174.9 full-time equivalent staff (FTE.) The Department receives approximately 80 percent of its funding from the State's General Fund.

The following was prepared by the public accounting firm of Grant Thornton LLP, who performed audit work at the Judicial Department.

## Office of the Child's Representative

During the 2000 legislative session, the General Assembly passed House Bill 00-1371, which created the Office of the Child's Representative within the Judicial Department. The

Office is responsible for ensuring uniform, high-quality legal representation and non-legal advocacy to children involved in judicial proceedings in Colorado. This includes enhancing the legal representation of children, establishing fair compensation for services, setting minimum practice and training standards, determining maximum caseloads, establishing oversight committees throughout the State, and working collaboratively with the state court-appointed special advocate (CASA) to develop local CASAs in each Judicial District. The Office has four full-time equivalent staff and is a general funded agency.

Fiscal Year 2002 was the first full year of operations for the Office.

<b>Office of the Child's Representative Fiscal Year 2002 Expenditures</b>	
<b>Expenditure</b>	<b>Amount Expended</b>
Attorney Services - By Type of Case:	
Dependency and Neglect	\$5,349,032
Juvenile Delinquency	1,203,240
Domestic Relations	424,682
Truancy	172,982
Probate	89,000
Paternity	78,507
Counsel Expenses	5,286
Other	27,001
<i>Subtotal: Attorney Services</i>	<i>7,349,730</i>
Administrative and Operating Costs	449,404
Training	23,938
CASA Contribution	20,000
<i>Total Expenditures</i>	<i>\$7,843,072</i>
<b>Source:</b> Data obtained from the Office of the Child's Representative.	

Attorneys are appointed by judges and magistrates as advocates to represent children's best interests in various types of legal proceedings.

Pursuant to House Bill 00-1371, we reviewed the Office's system of internal controls and examined expenditures. We noted that several key controls had been established, including review and approval documentation, segregation of duties, use of purchase orders for purchases over \$5,000, and that fees paid to attorneys were based on the terms of written contracts.

We selected 40 cash disbursements, totaling \$179,224, for testing. Thirty-seven attorney payments and three general vendor disbursements were selected. We found that the invoices were in compliance with internal policies, Chief Justice directives, and statutes. The invoices were recorded correctly and in a timely manner on the Court-Appointed Counsel and State's accounting systems. We recalculated hourly bills and agreed contract billings to supporting documentation. We found that invoices contained the proper evidence that they had been reviewed and approved for payment. For attorney disbursements, we reviewed supporting documentation for contract disbursements, noted written verification of appointment, and noted specific written approval for fees requested over the maximum threshold for the type of case. For vendor and other payments, we determined that a W-9 was obtained for new vendors as required by federal law.

We reviewed all Fiscal Year 2002 expense reports submitted by the Board of Directors, Colorado Springs Guardian Ad Litem Office, and the Office's Denver location. We found that all expense reports were properly approved.

We compared total salaries recorded on the State's accounting system with a listing of salaries and contracts by individual. These items were reconciled without exception.

No recommendation is made in this area.

# Department of Labor and Employment

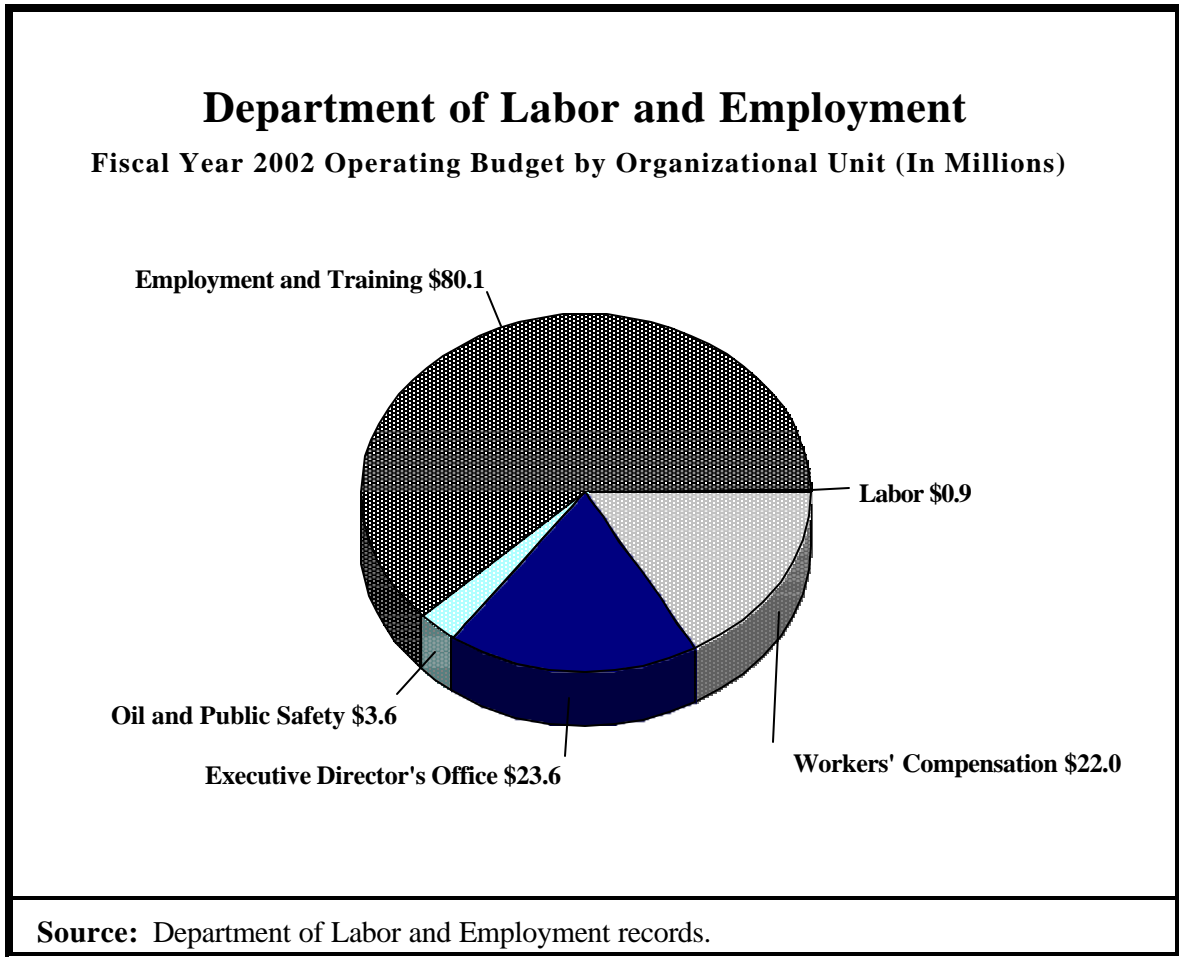
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## Introduction

The Department of Labor and Employment is responsible for providing services to employers and job seekers, and enforcing laws concerning labor standards, unemployment insurance, workers' compensation, public safety, and consumer protection. The Department comprises the following major organizational units:

- Division of Employment and Training
- Division of Workers' Compensation
- Division of Oil and Public Safety
- Division of Labor
- Executive Director's Office

The Department was appropriated \$130.2 million and 1,035.4 full-time equivalent staff (FTE) for Fiscal Year 2002. Approximately 33 percent of the funding is from cash funds and the other 67 percent is from federal funds. The following chart shows the operating budget by major organizational unit during Fiscal Year 2002.



The following comments were prepared by the public accounting firm of Clifton Gunderson LLP, who performed audit work at the Department of Labor and Employment.

## **Allowance for Doubtful Accounts - Overpayments of Unemployment Benefits**

The Department records an accounts receivable to reflect overpayments of unemployment benefits to individuals. These overpayments are for fraudulent and non-fraudulent claims filed and received by persons not eligible for benefits. Fraudulent claims are benefits received as a result of false statements or failure to disclose material facts with the intention of obtaining or increasing unemployment benefits. For example, a fraudulent claim might occur when a person is employed yet is collecting unemployment from a previous job. Non-fraudulent claims are benefits received by a person who unintentionally obtained or

increased his or her unemployment benefits. For example, a non-fraudulent claim might occur if a person were receiving severance pay but did not realize this needed to be disclosed on the application for benefits. According to the Department, approximately 30 percent of the current overpayment receivables balance is due to fraudulent claims, and the remaining 70 percent is due to non-fraudulent claims.

The Department collects a portion of these receivables through withholdings of new benefits applied for at a later date by the person who received the overpayment. In these cases, a certain percentage of the new benefits is withheld to repay the overpaid amounts. In addition, Central Collections, within the Department of Personnel and Administration, performs collection services on these accounts, which may result in garnishment of the person's wages. As of June 30, 2002, the Department had recorded about \$27.4 million in receivables for overpayments.

The Department records an allowance for doubtful accounts as an offset to the overpayment receivable to reflect the amount it actually expects to collect. The percentage used to calculate this allowance is reviewed annually by the Department. However, we found that the Department has not performed an analysis of actual collections received compared with the percentages used for the allowance calculation for several years.

As of the end of Fiscal Year 2002, the Department recorded an allowance for doubtful accounts of \$14.9 million, resulting in a net receivable of \$12.5 million (unadjusted). We performed an analysis as part of our audit and determined that the allowance account was understated by \$6 million. The understatement was material to the State's financial statements, and the adjustment was made by the Department. When the adjustment was recorded, the net receivable decreased to \$6.5 million.

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## **Recommendation No. 4:**

The Department of Labor and Employment should perform a comparison of actual collections received for overpayments with the percentages used to adjust the allowance for doubtful accounts on an annual basis and adjust the percentages as necessary.

### **Department of Labor and Employment Response:**

Agree. Beginning in the current fiscal year ending June 30, 2003, the Colorado Department of Labor and Employment (CDLE) will perform an analysis of actual collections received for overpayments in order to determine the correct percentages to use to determine the allowance for doubtful accounts. For the past



several years, CDLE's finance office has relied on the manager of the office of Overpayments Collection and Control to provide us an estimate of the probability of collections. The manager's estimate was based on the state of the economy and the unemployment rate, the average time between claims to assess the possibility of offsetting current benefits to recoup prior overpayments, and actual collections rates. Rather than relying solely on the manager's estimate, the finance office will perform its own analysis and use that in conjunction with the manager's estimate to adjust the allowance for doubtful accounts.

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## Retention of Detail Listing

As stated previously, accounts receivable on overpayments of unemployment benefits relate to fraudulent and non-fraudulent claims filed by persons receiving benefits who were not eligible. According to Section 8-81-101(4)(b), C.R.S., the Department of Labor and Employment may not write off overpayment receivables for seven years in cases of fraudulent claims and five years in cases of non-fraudulent claims, except for certain circumstances such as death or bankruptcy. Due to the amount of time the receivables must be kept, as well as the low collectibility rates, the number of individual overpayment receivable accounts is large. The Department's benefits system produces a new listing on a monthly basis.

Due to the large size of the report, the Department kept only the current month's detail listing. At the time of our audit, the accounts receivable detail listing for this account as of June 30, 2002, could not be located or accessed from the system. Without the detail report, it was difficult to substantiate the accounts receivable balance at fiscal year-end. Therefore, alternative procedures had to be performed. Adequate records must be maintained to support year-end balances.

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### Recommendation No. 5:

The Department of Labor and Employment should maintain copies of detail listings of all benefit overpayment accounts at fiscal year-end.

### Department of Labor and Employment Response:

Agree. At the end of each month, the Colorado Department of Labor and Employment's Overpayment Collection and Control Unit produces both a

summary and a detail report of overpayment receivables. Once the reports are deemed to be correct, the prior month's detail report is thrown away. There are multiple reasons for this: the detail report is huge, a hard copy of each claimant's file is kept until any overpayment is fully repaid, the 09 and 14 screens in Colorado Unemployment Benefits System (CUBS) provide overpayment data, the 05 screen provides any payment information, the 20 screen contains any decisions made relevant to an overpayment, and any overpayment can be restored from the CUBS archives if necessary. Effective with the year ending June 30, 2003, and for every year thereafter, the Overpayment and Collection Unit has agreed to maintain a copy of the June 30 overpayment detail report of all benefit overpayment accounts until the annual financial audit has been completed.

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## Benefits Payable Detail Listing

Benefits payable for unemployment insurance claims are recorded as a liability at the end of the fiscal year on the State's accounting system on the basis of an estimate. The Department of Labor and Employment uses an estimate because it is unable to produce a report of claims filed but unpaid at fiscal year-end by individuals or of claims paid subsequent to the fiscal year-end that were for the previous fiscal year. As a result, the Department cannot determine the actual amount of unpaid obligations that remain at a point in time. This can cause errors with reporting and analysis at any time during the year. In addition, it results in a lack of adequate controls over benefit payments.

As of June 30, 2002, the Department estimated that the amount of benefits payable was \$16.0 million. The estimate was based on historical data and actual data during the year. Based on our review, we found that the estimate was reasonable.

The current computer system, the Colorado Unemployment Benefit System (CUBS), is being redesigned and the Department anticipates replacing CUBS with the new "genesis!" computer system. The "genesis!" computer system is intended to have the flexibility to address user requirements.

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### Recommendation No. 6:

The Department of Labor and Employment should ensure that the "genesis!" system will generate reports listing benefits payable at any point in time and use this information to record benefits payable on the State's financial system.

## **Department of Labor and Employment Response:**

Agree. The Colorado Department of Labor and Employment's (CDLE) current Colorado Unemployment Benefits System (CUBS) is not able to produce a report giving Finance the amount of Unemployment Insurance (UI) benefits payable at any given time, nor is it able to extract the amount of UI benefits paid in any period that were applicable to a previous reporting period. This makes the estimate of UI benefits payable difficult and also prevents CDLE Finance from comparing the estimate to actual after the fact. The new UI Compensation system ("genesis!") will have the capability of producing both reports. The new system will be able to produce a report that will give CDLE Finance a listing of UI benefits payable as of the end of a quarter. It will also allow CDLE to run a report showing the UI benefits paid in the subsequent quarter that were applicable to the prior quarter. CDLE finance will be able to compare the accrual to actual and adjust future accruals accordingly to ensure a reasonably accurate UI benefits payable accrual. The UI benefits portion of "genesis!" is on target to be rolled out by April of 2004. CDLE should be able to implement this recommendation for fiscal year-end June 30, 2004.

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## **Information Systems Reconciliations**

The Department of Labor and Employment has several information systems applications in addition to the State's accounting system. One of these systems is the workers' compensation system used to track information for the Subsequent Injury Fund, the Major Medical Fund, and the Medical Disaster Fund. Expenditures in those funds totaled \$16.0 million, \$219.4 million, and \$5,800 respectively for Fiscal Year 2002.

The reconciliation between the State's accounting system and the workers' compensation system was not completed until two months after year-end closing for Fiscal Year 2002. We reviewed the reconciliation and found no problems for Fiscal Year 2002. However, the delay of the reconciliation could result in material differences between the two information systems that may not be found until after fiscal year-end close. We noted that although it is the Department's policy to make these reconciliations on a monthly basis throughout the year, it did not perform the reconciliations during Fiscal Year 2002 until after year-end.

### **Recommendation No. 7:**

The Department of Labor and Employment should ensure that reconciliations between all workers' compensation information systems and the State's accounting system are performed on at least a quarterly basis throughout the year and that any discrepancies between systems are resolved on a timely basis.

### **Department of Labor and Employment Response:**

Implemented. The accounting technician who reconciles the workers' compensation system to the State's accounting system has recently gained access to all the monthly COFRS and Workers' Compensation reports required to perform the reconciliation. The technician is currently reconciling the two systems for the period of July through December 2002, and will perform the reconciliation on a monthly basis from this point on.

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# Department of Natural Resources

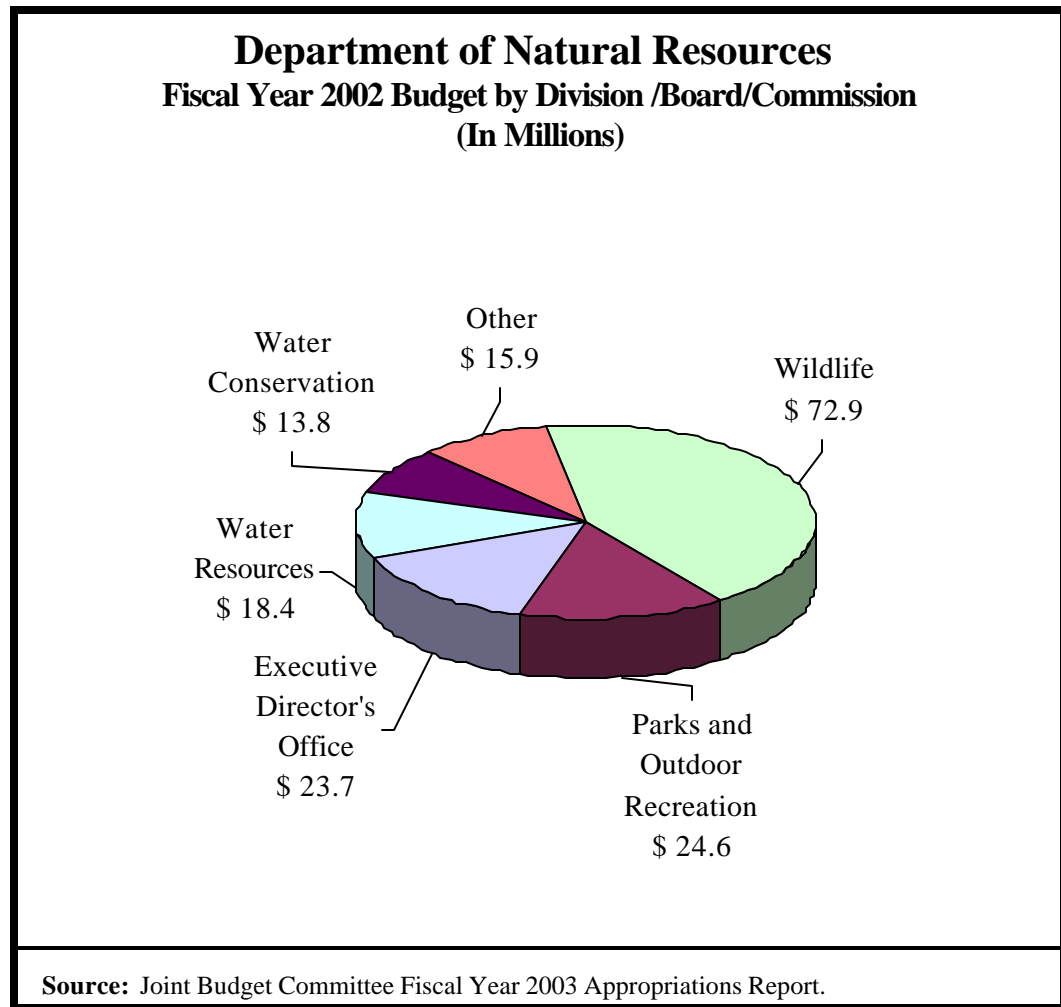
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## Introduction

The Department of Natural Resources is responsible for encouraging the development of the State's natural resources. Resources include land, wildlife, outdoor recreation, water, energy, and minerals. The Department operates under the authority of Section 24-1-124, C.R.S. The Department comprises the Executive Director's Office, which is responsible for the administration and management of the overall Department, and the following eight sections:

- Wildlife
- Water Resources
- State Board of Land Commissioners
- Parks and Outdoor Recreation
- Oil and Gas Conservation Commission
- Division of Minerals and Geology
- Water Conservation Board
- Geological Survey

The Department's Fiscal Year 2002 operating budget was about \$169.3 million with 1,515.3 full-time equivalent staff (FTE). The Department is primarily cash-funded. Revenue sources include hunting, fishing, and other licenses; royalties and rents; interest; and other sources. The following chart shows the Department's operating budget by division, board, and commission for Fiscal Year 2002.



## Procurement Cards

In Fiscal Year 2001 the Department of Natural Resources began using procurement cards. These are credit cards issued to approved staff for making purchases for Department business. Charges made with the card are the liability of the Department unless the cardholder violates the terms of the card's use. Each cardholder's supervisor acts as an approving official who is responsible for ensuring cardholders comply with the Department's procurement card policies. Spending limits are established by a cardholder's approving official in conjunction with the Department procurement card administrators and are based on the purchasing needs of the employee. The spending limits range from \$500 to \$3,000.

The Department's Procurement Card Guide outlines policies and procedures for the use of procurement cards as well as responsibilities for both cardholders and their approving

officials. Some of these policies include requiring the cardholder and the approving official to review and sign the card statements on a monthly basis as well as requiring the cardholder and approving official to sign an agreement indicating that they will comply with all terms of the cards.

As of June 30, 2002, about 275 Department employees had procurement card privileges. During Fiscal Year 2002 the Department made purchases totaling about \$793,000. During our audit we selected a sample of 25 employees who had procurement cards and reviewed one monthly statement for each employee selected. We found several problems with 21 of the 25 employee statements reviewed, or 84 percent of the sample. Specifically, we found the following:

- **Seven instances in which monthly statements were not reviewed by the cardholder and/or approving official.** The Department's procurement card policies are intended to ensure that all purchases on the statements are appropriate. In addition, the approving official's review ensures that adequate documentation has been maintained to support all purchases. When a review of the statement is not performed, the risk increases that non-business-related purchases may be paid for with state monies. After our audit, these statements were subsequently reviewed by the Department's procurement card administrators, and expenditures were determined to be appropriate.
- **Sixteen supervisors for whom the Department did not have an Approving Official Procurement Card Agreement on file.** By signing the approving official agreement form, the supervisor indicates that they understand their responsibilities as the approving official. These responsibilities include reviewing monthly card statements and obtaining supporting documentation from the employee for all purchases. In addition, the approving official is responsible for submitting the appropriate coding to Department accounting staff to ensure that charges are allocated to the correct appropriations and accounts for payment.
- **Two employees for whom the Department did not have a Cardholder Procurement Card Agreement on file.** By signing the cardholder agreement form, the employee indicates that they understand their responsibilities as the cardholder. These responsibilities include maintaining supporting documentation for all purchases; reviewing monthly statements; and following applicable statutes, rules, policies, and procedures for each card purchase.

In addition to the procurement card policies mentioned above, the Department has a policy that requires review of all procurement card purchases made by every Department

cardholder every six months. Any problems noted during the review of the card statements are to be documented and presented Department-wide to ensure that instances of purchasing mistakes or misuse are not repeated at any division within the Department. During our audit we found that reviews are not routinely performed. Specifically, the Department has not performed any reviews for the past year and a half.

The Department should take steps to improve the administration of the procurement card program to ensure that state funds are spent appropriately. Enforcing these requirements should reduce the risk of errors or irregularities.

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### **Recommendation No. 8:**

The Department of Natural Resources should improve the administration and monitoring of the procurement card program by ensuring that:

- a. All monthly procurement card statements are reviewed and signed by both the employee and the approving official.
- b. All employees and approving officials have signed cardholder agreement and/or approving official forms.
- c. Reviews of procurement card statements are performed in accordance with policy.

### **Department of Natural Resources Response:**

Agree.

- a. As the current Department audit for Fiscal Year 2002 is being conducted, each cardholder and his/her approving official is being contacted to remind them to sign the statement. Also, a letter went out to all cardholders and approving officials in September 2002 reminding them of their responsibilities as participants in this program.
- b. The letter sent to cardholders and approvers in September included agreements to be signed and returned. A new database has been developed to track these agreements.
- c. The audit of the procurement program was delayed due to the loss of an FTE in the Accounting/ Purchasing Section. The Purchasing Director has taken on



the responsibility of auditing the procurement cards, in accordance with the current audit policy, for Fiscal Year 2002. When this is accomplished, the audit plan and policy will be revised to require a more reasonable review to include random samples, particularly for cardholders that have demonstrated that they are complying with the requirements. This should result in more timely review and audit of cardholder statements.

Implementation date: March 31, 2003.

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## Capital Assets Tracking

The Department is responsible for ensuring that all capital assets are properly recorded, inventoried periodically, and safeguarded. Most of the Department's \$201 million in capital assets are located at various parks and wildlife facilities throughout the State. Assets include land, improvements to land, buildings, leasehold improvements, equipment, library books, historical treasures, and infrastructure. Examples of infrastructure include roads, bridges, and dams. Under a new governmental accounting standard effective in Fiscal Year 2002, the Department is required to capitalize certain long-lived assets and depreciate them over their estimated useful lives.

However, during our audit we found the following problems with how the Department accounts for its inventory of land, buildings, leasehold improvements, and infrastructure:

- **The Department has not performed an annual physical inventory at all of its locations.** The Division of Wildlife did not complete a physical inventory of its \$140 million in capital assets. If a physical inventory is not performed, there is a risk that State assets are not adequately safeguarded and that assets are not accurately reported on the State's accounting system.
- **The useful lives assigned to capital assets are not reasonable.** The Department established useful lives of 27.5 years for all buildings purchased before 1975 based on general guidelines established by the State Controller's Office. While the State Controller's guidelines suggest a useful life of 27.5 years for buildings, the guidelines also suggest that the estimated useful life of a capital asset is a function of each agency's experience. By assigning useful lives of 27.5 years to its older buildings, the Department has not taken into account its own experience. Experience would suggest that the buildings are expected to be in use

past Fiscal Year 2002. Several state agencies assigned useful lives of 100-plus years to their buildings.

- **For costs of building and leasehold improvements, the Department inappropriately established a useful life beyond the useful life of the original asset.** The end of the useful life of the improvement should coincide with that of the original asset. For example, if an addition is made to an existing building, the estimated remaining useful life of the addition should be the same as the building it improved.
- **The Department capitalized many items that are below the State's established capitalization criterion of \$50,000.** For example, about half of the Department's 216 buildings had historical costs of less than \$50,000 and in total amounted to only \$3.3 million of the Department's \$47.6 million in buildings, or less than 7 percent. At the Division of Wildlife, 80 buildings had historical costs of less than \$50,000 and in total amounted to only \$2.9 million, or 11 percent of the Division's \$25 million in assets. While the Department may establish lower thresholds based on its own experience, the Department has in effect established no threshold. The value of buildings should be tracked for insurance purposes. However, it is an unnecessary use of staff resources to track and record depreciation on these relatively low-cost structures.

In addition to concerns regarding the need to safeguard assets and appropriately report financial information on capital assets, we are particularly concerned about the valuation of the capital assets at the Division of Wildlife. The General Assembly designated the Wildlife Cash Fund fund balance as part of the TABOR emergency reserve for Fiscal Year 2002. Of the Division's \$179 million fund balance, \$140 million relates to investments in capital assets. Therefore, the completeness and accuracy of the amounts recorded as capital assets is especially important. If these assets are not accurately reported, there is the risk that there may be an insufficient reserve for TABOR purposes.

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## **Recommendation No. 9:**

The Department of Natural Resources should improve its controls over capital assets by:

- a. Performing an annual physical inventory at all of its locations.
- b. Establishing reasonable useful lives for original assets and additions to those assets based upon its own experience and documented assumptions and ensuring that the useful lives of improvements are the same as or less than the original asset.

- c. Raising its capitalization thresholds to the levels recommended by the State Controller's Office, or establishing other reasonable thresholds based upon documented experience.
- d. Making the proper adjustments to the State's accounting system based upon the results of its physical inventory, its review of established useful lives, and its reevaluation of capitalization criteria.

### **Department of Natural Resources Response:**

- a. Agree. Since the Department's physical assets are located at sites all around the State, the responsibility of conducting the physical inventory is assigned to the manager in charge at each location. Reminders and requests for physical inventories are sent to each manager by the DNR central accounting staff. Follow-up notifications are also sent when responses are not received by a specified date. Prior to Fiscal Year 2002, the Deputy Director of the Department would notify the Division Directors of any managers who did not respond after the second notification. With changes in EDO staff in Fiscal Year 2002, this practice was not followed. DNR accounting will recommend new procedures in Fiscal Year 2003 to ensure compliance with the annual inventory requirement. To be implemented June 30, 2003.
- b. Agree. Since this was the first year of calculating depreciation and the Department had no prior basis for determining useful life or the actual condition of buildings, the Department opted to follow the State Controller's guidelines for useful when calculating depreciation. Having completed development of a capital asset database in Fiscal Year 2002, additional refinements will be made to better identify a more accurate useful life as well as identifying and tracking specific improvements to specific buildings, a process which has never been done in the past. To be implemented June 30, 2003.
- c. Partially agree. The current Department practice of capitalizing assets whose value is less than the State Controller's threshold allows the Department to efficiently ensure that property owned by the Department is accurately categorized and valued for reporting to Risk Management for insurance purposes by using one single database. This has been the historical practice of the Department and has been continued through the implementation of GASB 34. Since the database performs all the calculations for depreciation, it was found that this practice did not create a significant or unnecessary workload issue. The Department will analyze and assess the implications to the Risk

Management reporting and insurance coverage that may result from implementing the recommendation. Assessment to be completed by June 30, 2003.

- d. Agree. To be implemented June 30, 2003.

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## State Board of Land Commissioners

The five-member volunteer State Board of Land Commissioners is responsible for managing three million surface acres and four million mineral acres of state lands for the benefit of eight separate trusts. For Fiscal Year 2002 the Board was appropriated approximately \$2.9 million and 33 FTE. Sources of funding included leases, timber production, land sales, mineral royalties, bonuses, and interest.

### Surface Leases

The Board rents lands to private parties for agricultural, recreation, tower site, and commercial purposes. The leases typically last for 10 years, and the original lessee often renews the lease for another 1 to 10 years. For Fiscal Year 2002 the Division collected rents totaling about \$603,000 on 2,615 active surface leases.

We reviewed the Board's process for billing lessees and recording rental income. We found that the Board did not bill lessees for 55 surface leases, totaling \$270,000, from Fiscal Years 1995 through 2001. In addition, the Board did not record a receivable for the amounts due until Fiscal Year 2002. As a result, revenue was understated in prior years and overstated in Fiscal Year 2002 by this amount.

In each of these instances, the leases expired but the remaining tenant continued to utilize the land. The rent was not billed because the Board believed that it could not bill current lessees once the lease had expired. The Board's policy was to bill for these back rents once the lease was renewed, which could be two or more years later. The Board has since obtained informal legal guidance indicating that it could bill the "hold-over tenants" at the old lease rate until the lease had been renewed. However, the Board has not yet billed these tenants as of November 2002.

This delay in billing was primarily caused by a significant backlog in the lease renewal process. The 55 leases expired between 1995 and 2001 and have not yet been renewed. In July 2001 the Department hired a consultant to look at the lease renewal process. The consultant made several suggestions for streamlining the process, some of which the Department has implemented or intends to implement. For example, the Department has

begun utilizing an economic scorecard that addresses high-risk factors such as credit history and financial position of the lessee. According to the Board, it has reduced the time it takes to renew a lease from an average of 64 weeks to an average of 25 weeks.

If the Board does not bill tenants in a timely manner, there is a risk that the Board will be unable to collect back rent, especially if the lease is not subsequently renewed.

## **Lease Management System**

The Board receives about 2,500 lease rental checks each month averaging about \$50,000 each month. These rental checks are currently processed on the Surface Lease Management System (SLIMS).

During Fiscal Year 1999 the Land Board purchased a lease management software system from Utah's Land Board for approximately \$100,000. The goal was to put the new State Asset Management (SAM) system in place in October 2000. The system was designed to provide management with more accurate, timely, and detailed information on leases. However, as of October 2002, the new system had not been implemented.

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### **Recommendation No. 10:**

The State Board of Land Commissioners should improve its surface lease procedures and systems through the following:

- a. Continuing to streamline its lease renewal process in order to reduce or eliminate the backlog.
- b. Billing for back rents on expired leases based upon the "hold-over tenant" concept.
- c. Recording revenue in the proper fiscal year.
- d. Implementing the new State Management System (SAM) system as soon as possible.

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## **State Board of Land Commissioners Response:**

Agree. The State Board of Land Commissioners (SLB) agree with the recommendation in total and have already begun implementing the specific details of the recommendation including:

- a. A detailed evaluation and streamlining of the lease renewal process, which has reduced and will eventually eliminate lease processing backlog. Implemented September 1, 2002.
- b. Creating a new process for hold-over tenant billing to allow the SLB to capture revenue and record it in the proper fiscal year. To be implemented by June 30, 2003.
- c. The implementation of the above two concepts has allowed the SLB to record revenue received for these two processes in the appropriate fiscal year. Implemented September 1, 2002.
- d. The State Management System (SAM) has been successfully implemented and is in the process of being de-bugged. To be implemented by June 30, 2003.

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## **Division of Wildlife**

The Division of Wildlife manages over 250 wildlife areas covering 300,000 acres. The Division acquires habitat lands, conducts research, and enhances the public's awareness of relevant wildlife issues. The nearly one and a half million hunting and fishing licenses sold annually provide the majority of the Division's funding. In Fiscal Year 2002 the Division was appropriated approximately \$73 million and 753 FTE.

## **GOCO Billings**

As required by the Colorado Constitution, Lottery proceeds are allocated to the Great Outdoors Colorado (GOCO) for preserving, protecting, enhancing, and managing the State's wildlife, park, river, trail, and open space heritage. The Constitution requires GOCO to then distribute these funds to various entities including the Division of Wildlife.

During Fiscal Year 2002 the Division expended approximately \$7.1 million on GOCO projects, primarily in the form of grants for habitat and species protection, watchable wildlife, and education projects. According to a memorandum of agreement between GOCO and the Division, "the Division shall submit monthly billing statements to the GOCO board identifying total expenditures to date, along with the amount of GOCO funds currently due for the work completed. Within 30 days of their receipt, the GOCO board shall reimburse the Division in accordance with the monthly billing statement . . . ."

In our October 1999 performance audit of the Division of Wildlife, we found that the Division does not consistently request reimbursement for its grant-related expenditures from GOCO on a timely basis. During our current audit we found that the Division had not billed for expenditures totaling \$2.8 million for the months of April, May, and June until September 2002. By the Division's not requesting reimbursement more timely, we estimate that it lost interest of approximately \$18,000. In addition, the Division did not provide GOCO with the critical financial information regarding year-end liabilities. During our current year audit of GOCO, we also found one billing due to the Division for March 1999 expenditures that had not been paid as of the end September 2002. Consistent monthly billings and a review of an aging of accounts receivable by the Division could have prevented the missed payment.

The Division operates on a cost-reimbursement basis with GOCO, meaning it must request reimbursement for its expenditures after they are made rather than in advance. Therefore, it is important that the Division request reimbursement as soon as possible after expenditures have been incurred.

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### **Recommendation No. 11:**

The Division of Wildlife should request reimbursement for its GOCO-related expenditures on a monthly basis.

### **Division of Wildlife Response:**

Agree. The Division of Wildlife billed for reimbursement from GOCO for all months during the fiscal year except the months noted in the audit report. The delay for the billings was caused by directing resources to ensuring that \$12 million of personnel expenditures for the Division were posted properly in a new time tracking system by the close of the fiscal year. The Division intends to resume monthly billings effective immediately. Implemented January 31, 2003.

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## Cancelled Payments

During Fiscal Year 2002 the Department issued about 241,000 payments to individuals and vendors. The majority of these payments, about 207,000, were for limited license refund checks. The remaining 34,000 were for routine vendor payments and property damage payments to ranchers.

In prior years' audit, we found problems with duplicate payments at the Division of Wildlife. We recommended that the Department of Natural Resources strengthen internal controls over processing and reviewing payments to prevent payment errors. We continued to find similar problems during our current audit. In Fiscal Year 2002 the Division cancelled about 122 payments totaling approximately \$502,000 due to problems with the original payment voucher.

We reviewed 25 cancelled payments totaling about \$70,000 to determine the reason for the cancellation.

- **We found that 6 of the 25 cancelled payments, or about \$1,000, were sent to the wrong vendor and were returned to the Department.** The checks went to the wrong vendor because the vendor code was incorrect on the original payment voucher. The addresses were corrected and the checks were subsequently reissued. Vendor codes are listed on the State's accounting system, along with the vendor name and address, so that the State can track total payments to each vendor for Form 1099 federal tax reporting purposes. Procedures were not in place at the Division to regularly update or confirm that vendor codes are current. Outdated vendor records could result in sending a payment voucher to the wrong vendor or address. This increases the risk that the payment will be lost and have to be reissued. It could also delay the timeliness of vendor payments. State Fiscal Rules consider a payment delinquent if not made within 45 days after the liability arises. As such, the Department could be at risk of owing interest to the vendors.
- **The reason for cancellation was not documented for 12 of the 25 payments, totaling about \$68,000.** Upon further research, the Department determined that three had been sent to the wrong vendor and four had been lost in the mail. The Division could not provide us with explanations for 5 of the 25 cancelled payments. Therefore, we could not determine whether the cancelled payments were appropriate. In our prior audit, we also found that the Division did not always document the reason warrants were cancelled on the original payment voucher.



Continued problems with cancelled payments at the Division of Wildlife increases the risk of errors and irregularities and indicates the need for stronger management controls over processing and reviewing payments.

The Department of Personnel has estimated that it cost the State \$25 to process each payment voucher. We estimate that the 122 cancelled warrants at the Division cost the State an additional \$3,050 in processing costs during Fiscal Year 2002.

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### **Recommendation No. 12:**

The Division of Wildlife should improve controls to reduce the number of cancelled payments by:

- a. Ensuring vendor information is correct before issuing payments to vendors.
- b. Documenting the reason for cancelling a warrant on the original payment voucher.
- c. Determining the reason for recurring problems with payment vouchers and strengthening management controls to prevent them from occurring in the future.

### **Division of Wildlife Response:**

Agree.

- a. All Division of Wildlife employees who enter or approve payment vouchers in COFRS receive four hours of training from the Department of Natural Resources accounting section. One of the points of the training is to ensure that the vendor name and address on the payment voucher match the vendor invoice. The payments identified in the audit report were to common vendors such as Walmart with multiple addresses, which can easily cause confusion. The Division of Wildlife will reinforce upon employees with COFRS access to carefully verify the correct vendor and address. To be implemented March 1, 2003.
- b. Warrants for vendor payments are cancelled and reissued by the Department of Natural Resources accounting section on behalf of the Division of Wildlife as a separation of duties control for this process. For payments under \$1,000, the Department of Natural Resources does not have the original payment voucher, since they are paid by the remote offices throughout the

Division of Wildlife. Therefore, for these payment vouchers under \$1,000, the Department of Natural Resources will file a photocopy of the original payment voucher with the reason for cancellation noted. The Department of Natural Resources will institute a new policy for requesting cancellation and/or reissue of warrants that will require significantly more complete information and documentation from the agency prior to the warrant being cancelled. Under this new policy, all divisions within the Department will review, approve, and log all requests for warrant cancellations prior to submitting to the Department Controller for action. The Divisions will be expected to monitor their cancelled warrants and analyze reasons for cancellations and to take appropriate actions to remedy problem areas. The Department will notify the State Controller's Office not to accept any warrant cancellation requests that do not conform to this new policy. To be implemented March 1, 2003.

- c. The Division of Wildlife cancelled less than 1 percent of the payment vouchers that were issued. The cancelled payments occur for a variety of reasons and many of them are unique, one-time occurrences. The Division of Wildlife will reinforce the importance of accurate vouchering to all employees who have been assigned COFRS access and will take appropriate actions where recurring problems are found to exist. These actions may range from requiring additional training to loss of vouchering input or approval authority. To be implemented March 1, 2003.
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# Department of Personnel and Administration

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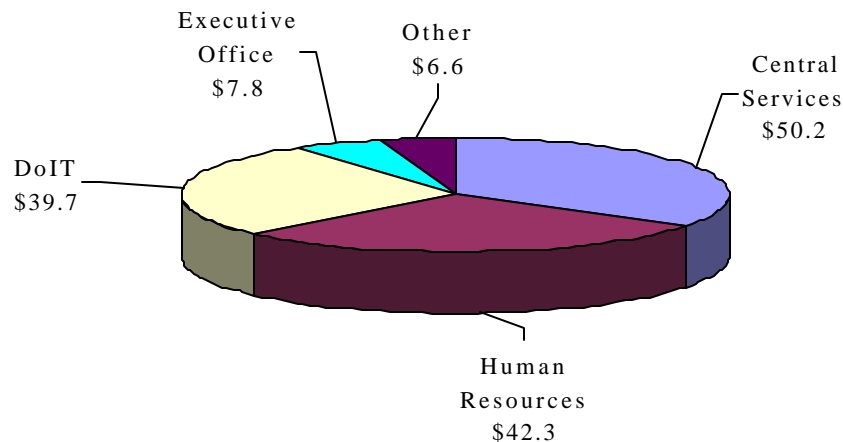
## Introduction

The Department of Personnel and Administration's primary function is to support the business needs of state government. The Department administers the classified personnel system, which includes approximately 28,000 full-time employees, (excluding the Department of Higher Education), and provides general support services for other state agencies. The Department of Personnel and Administration includes the following divisions:

- Executive Office
- Human Resources
- Personnel Board
- Central Services
- Finance and Procurement
- Information Technologies (DoIT)
- Administrative Hearings

The Department was appropriated total funds of \$146.6 million and 589 full-time equivalent staff (FTE) for Fiscal Year 2002. Approximately 9.7 percent of the funding is from general funds and 90.3 percent is from cash funds. Cash funds include, but are not limited to, vehicle and building rentals, copying, printing, graphic design, and mail services. The following chart shows the operating budget by division during Fiscal Year 2002.

**Department of Personnel and Administration  
Fiscal Year 2002 Operating Budget by Division  
(In Millions)**



Source: Joint Budget Committee Fiscal Year 2003 Appropriations Report.

## Payroll Processing

In Fiscal Year 2002 the Department of Personnel and Administration had an actual annual gross payroll of approximately \$26.6 million for its 528 full-time employees and an annual gross payroll of approximately \$1.2 million for its 46 part-time employees. During our Fiscal Year 2002 audit we reviewed controls over the monthly and biweekly payroll process. We found three problems as follows:

- Payroll duties were not segregated. One employee directly associated with processing payroll was also reconciling the payroll expense. This employee was also responsible for entering, reviewing, and correcting payroll information without supervisory review.

The same problem existed during our Fiscal Year 2001 audit. The Department agreed the payroll process duties should be segregated and moved this function

from the Division of Human Resources to the Executive Office where the Department believed there was adequate staff to allow for the proper segregation. However, during our current audit, we found that the duties were still being performed by one employee. Duties related to review of payroll should be separated from those related to data entry functions. Segregating duties in the payroll area is essential for reducing errors and controlling irregularities.

- Withholding documentation contained inconsistencies or was missing information. We reviewed 60 employee files and found nine instances where the marital status and/or the number of personal allowances to be taken on the W-4 (tax withholding) form did not agree with the information on the Colorado Payroll Personnel System. We also found one instance where the W-4 was missing from the employee's file. However, the Department had entered tax withholding information into the Colorado Payroll Personnel System for this employee.
- Biweekly payroll contained calculation errors. We reviewed the manual biweekly payroll calculations for one pay period for 32 employees. Ten out of the thirty-two employee biweekly calculations were incorrect. In total, the employees were underpaid by approximately \$275 in gross pay. These errors occurred in the manual calculation of shift differential and overtime pay. We found the Department's internal reconciliation process detected nine of the underpayments. These errors were corrected in the pay period immediately following the payroll in which the errors occurred. One error was not detected until we brought it to the Department's attention. These errors could have been detected earlier if a supervisory review had been in place prior to payroll distribution.
- Compensating controls are inadequate. In our Fiscal Year 2001 audit report, we recommended that all divisions receive and review their payroll expense reports and that each division confirm the accuracy of its monthly and biweekly payroll. This was to compensate for the lack of segregation in the payroll processing section. During our current audit we found that the Department provides the divisions with payroll expense reports, which include the employee's name; gross amount of salary; and number of regular, overtime, and shift differential hours. While the division payroll liaisons were reviewing payroll expense reports to determine whether employees were valid, they were not reviewing the regular, overtime, and shift differential hours worked.

**Recommendation No. 13:**

The Department of Personnel and Administration should improve the payroll function by:

- a. Segregating the payroll processing and reconciliation duties.
- b. Reviewing employee personnel files and reconfirming that withholding documentation is accurate and complete.
- c. Implementing adequate supervisory reviews over the payroll calculation.
- d. Ensuring adequate compensating controls are in place if payroll duties are not segregated.

**Department of Personnel and Administration  
Response:**

- a. Agree. To be implemented March 1, 2003. Vacancies and turnover in the Executive Office have prevented the Department from providing the proper segregation of duties in this area. Staffing has stabilized and we are now in the process of designing, documenting, and implementing adequate controls over payroll. In addition, we will be performing quarterly internal audits of the payroll function. Based on the findings of these audits, procedures will be refined and implemented as necessary.
- b. Agree. Implemented September 2002. Each department employee was required to submit updated W-4 data to the Executive Office. This information was then used to update all personnel files within the Department.
- c. Agree. To be implemented March 1, 2003. The Department is implementing internal controls over the payroll function that include an independent review of payroll calculations. In addition, we will be performing quarterly internal audits of the payroll function. Based on the findings of these audits, procedures will be refined and implemented as necessary.
- d. Agree. Implemented January 2003. Procedures have been refined to allow for adequate compensating controls. Payroll liaisons throughout the

Department independently review monthly and biweekly payroll expense distribution reports to ensure employees are paid appropriately.

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## **Procedures and Controls Over Payment Vouchers**

Central Collections, an agency within the Department of Personnel and Administration, is responsible for collecting debts owed to state agencies and local governments and disbursing collections to them. The agency's internal debt collection system, Columbia Ultimate Business System (CUBS), managed 670 client agencies and 867,000 accounts totaling \$650 million as of June 30, 2002. In Fiscal Year 2002 Central Collections collected nearly \$10.5 million in debts owed and made payments to entities in the amount of \$8.7 million. The difference of \$1.8 million represents collections fees to Central Collections and private collection companies.

The Department's central accounting staff within the Executive Office (EO) is responsible for reviewing supporting documentation, such as detailed billing information, and approving disbursements of payments to state agencies and local governments. We found that the EO approved Central Collection's payments without reviewing supporting documentation. The same problem existed in our 2001 audit, and at that time the EO agreed to implement procedures to review supporting documentation before approving payments. During our Fiscal Year 2002 audit, EO staff reported that they had asked Central Collections to attach supporting documents to all payment vouchers submitted for approval. However, due to the large volume of documentation required to support individual payment vouchers, Central Collections was not submitting all the documentation necessary to enable EO to determine if a payment was appropriate.

According to EO staff, the Department has considered alternative procedures for determining the appropriateness of payments related to Central Collections, such as conducting periodic internal audits of Central Collections, establishing segregation of duties among staff within Central Collections to allow the agency to approve its own payments, or a combination of both. However, as of the end of our audit, the Department had not implemented alternative procedures. Although we did not find errors related to Central Collections payments during our Fiscal Year 2002 audit, the Department should establish a method for determining the appropriateness of Central Collections payments in order to mitigate the risk of errors.

### **Recommendation No. 14:**

The Department of Personnel and Administration, Executive Office, should implement procedures to review Central Collections' supporting documentation prior to approval of payments.

#### **Department of Personnel and Administration Response:**

Agree. To be implemented July 1, 2003. The Department of Personnel and Administration is in the process of developing an internal audit function. The first audit to be performed is that of Central Collections. Internal controls will be tested and weaknesses identified. Adequate controls will then be designed and implemented.

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## **Risk Management Revenue**

We found that the Department of Personnel and Administration, specifically Risk Management, a service unit within the Division of Human Resources, did not properly classify revenue on the State's accounting system for inclusion in the TABOR revenue base. In our Fiscal Year 1999 audit, we found similar problems, and Risk Management subsequently made improvements. However, during our current audit we found similar problems.

The Division of Risk Management collects premiums from state agencies for the administration of the State's Risk Management Program. We reviewed the amount of premiums received and found that Risk Management incorrectly recorded monies received from the Division of Wildlife, a division within the Department of Natural Resources. This error resulted in an overstatement of TABOR revenue of approximately \$704,000. Revenue was adjusted before the TABOR Schedule of Revenue was finalized.

In order to classify revenue received from state agencies and enterprises correctly, the Department of Personnel and Administration requests certain TABOR information from those agencies it bills for Risk Management services. It is the Department's responsibility to obtain this information to ensure revenue is reported accurately. Since excess TABOR revenue is required to be refunded to taxpayers, the accuracy of the revenue classifications is critical.



## **Recommendation No. 15:**

The Department of Personnel and Administration should properly classify revenue for TABOR purposes.

### **Department of Personnel and Administration Response:**

Agree. Implemented July 2002. Procedures have been modified to ensure that revenues are correctly classified on a monthly basis.

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## **State Controller's Office**

### **Introduction**

The State Controller's Office is within the Division of Finance and Procurement in the Department of Personnel and Administration. The Office is under the direction of the State Controller, who is appointed by the Executive Director. The State Controller's Office manages the financial affairs of the State by providing financial information, issuing fiscal policies, ensuring timely recording of the budget, and providing accounting consulting services to state agencies.

### **Cash Flows**

The State Controller's Office coordinates and compiles data from state agencies for inclusion in the State's financial statements. A required statement is the statement of cash flows for business-type activities, such as the State Lottery, Unemployment Insurance, Student Obligation Bond Authority, and higher education institutions. This statement provides information about the sources of cash and how it was spent. Users of the financial statements may use this information to look for trends that may indicate strengths and weaknesses in the ability of state agencies and institutions to finance their operations or to repay debt.

During Fiscal Year 2002 the State Controller's Office fully implemented Governmental Accounting Standards Board (GASB) Statement No. 34. The Statement establishes new financial reporting requirements for governments. Its implementation has created new

information and has restructured much of the information that has been presented in the financial statements in the past. This was the first year in which a statement of cash flows was required for higher education institutions. The statement of cash flows is made up of four categories (operating activities, noncapital financing activities, capital and related financing activities, and investing activities), which are defined in GASB Statement No. 9.

Certain state agencies separately issue financial statements. We compared the State's statements with the separately issued statements and found that information presented on the State's statements did not agree to the separately issued financial statements for the higher education institutions and the Student Obligation Bond Authority as follows:

- **Inconsistencies in reporting presentation were identified between the State's statements and the higher education institutions' statements.** We found that the State Controller's Office generally classified transactions relating to gifts and donations from foundations and other private sources, certain student financial aid transactions, and certain distributions to other colleges as cash flows from operating activities; the higher education institutions treated these same items as cash flows from noncapital financing activities. The reporting differences can be attributed to interpretation differences of GASB Statement No. 9. The higher education institutions reported gifts of approximately \$72.8 million in the cash flows from noncapital financing activities section, while on the State's financial statements only \$1.3 million of gifts are reported this way, with the remainder reported as cash flows from operating activities. For certain student financial aid transactions (e.g., Direct Lending Program), the State's financial statements report cash inflows of \$379.3 million and cash outflows of \$380.5 million (with a net difference of about \$1.2 million) as operating activities, while the higher education institutions report such cash inflows and outflows as noncapital financing activities. The Colorado Community College System's financial statements show \$25.9 million as distributions to other colleges as cash flows from noncapital financing activities, while this amount is reported as cash flows from operations on the State's financial statements.

Many of these inconsistencies in the statement of cash flows were also classified differently in the statement of revenues, expenses, and changes in fund net assets.

- **Differences were identified between the State's statement of cash flows and the Student Obligation Bond Authority's.** When comparing the Student Obligation Bond Authority's (CSOBA) statement of cash flows with the State's, we found a \$32 million difference in cash because the definition of cash used by the agency was different from what was prescribed by the State. CSOBA

included investments in money market funds in its definition of cash, while the State does not. In addition, there were several other smaller differences between the two sets of statements. In prior years we have had similar problems with the statement of cash flows, and have requested that the State Controller's Office work with CSOBA to ensure there would be agreement between presentation of amounts on the financial statements. As a result of our audit, changes had been made to the State's and the agency's financial statements. To provide the most accurate presentation in the future, during the State's financial statement preparation process, the State Controller's Office, in conjunction with CSOBA, should identify, resolve, and provide adequate detail to resolve differences between the State's and the agency's separately issued financial statements.

In order to enhance the usefulness and comparability of the statements, the State Controller's Office, higher education institutions, and CSOBA need to come to an agreement on how to categorize accounting transactions on the statement of cash flows and the statement of revenues, expenses, and changes in fund net assets.

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### **Recommendation No. 16:**

The State Controller's Office should refine the methods used to compile the statement of cash flows and the statement of revenues, expenses, and change in fund net assets by:

- a. Working with higher education institutions to develop a consistent interpretation of Governmental Accounting Standards Board Statement No. 9 to be used in categorizing accounting transactions in the statement of cash flows.
- b. Assisting the Student Obligation Bond Authority to ensure that transactions are properly categorized and reported.

### **State Controller's Office Response:**

Agree. Implementation date September 20, 2003.

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# Department of Regulatory Agencies

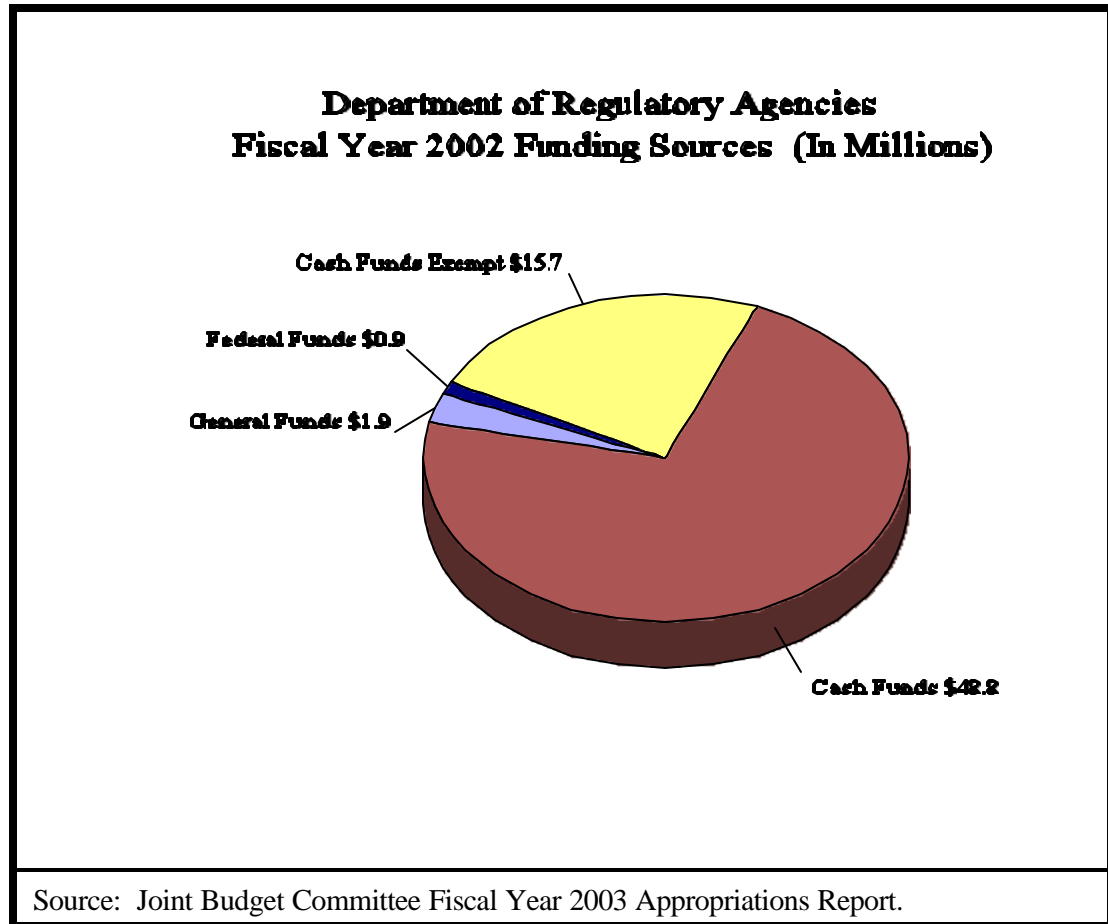
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## Introduction

The Department of Regulatory Agencies oversees professionals and industries. The Department of Regulatory Agencies includes the following ten divisions:

- Executive Director's Office
- Division of Banking
- Civil Rights Division
- Office of Consumer Counsel
- Division of Financial Services
- Division of Insurance
- Public Utilities Commission
- Division of Real Estate
- Division of Registrations
- Division of Securities

The Department of Regulatory Agencies was appropriated \$67.3 million and 534 full-time equivalent (FTE) staff for Fiscal Year 2002. Approximately 96 percent of the funding is from cash funds and cash funds exempt sources.



## Management Controls Over Revenue

The Department is primarily funded from cash fees, and it is important that it establish and maintain strong management controls over revenue. The Department's numerous and varied fees are recorded in 10 divisions and in 39 separate cash funds. Each division and commission within the Department is responsible for collecting, depositing, and recording its fee revenue. The Office of Accounting and Purchasing is to ensure that each division and commission has properly accounted for its fees.

As part of our audit, we reviewed the Department's process for recording revenue. We found that the Department did not record revenue in the Disabled Telephone Users Fund in the proper fiscal year. The Disabled Telephone Users Fund within the Public Utilities Commission is statutorily authorized to collect a surcharge of 10 cents per line per month in accordance with the "Americans with Disabilities Act of 1990." Revenue was about \$4.3 million in Fiscal Year 2002 and about \$3.4 million in Fiscal Year 2001.

The Department did not record revenue or a receivable of about \$280,000 on the State's accounting records until about 11 months after it was received and deposited by the State Treasurer, or until January 2002. In addition, although one company owed its June 2001 payment of about \$250,000 at the end of Fiscal Year 2001, the Department did not record revenue or a receivable to reflect this at June 30, 2001. As a result, revenue and the accounts receivable in the Disabled Telephone Users Fund were understated by \$530,000 in Fiscal Year 2001, and revenue was overstated in Fiscal Year 2002 by about \$530,000.

Neither the Public Utilities Commission nor the Department has established adequate analytical review procedures to detect errors. For example, a comparison of revenue between similar accounting periods by division and commission would help ensure that errors such as this do not occur in the future. If the Department had compared revenue for the Disabled Telephone Users Fund between fiscal years, it might have noted the decrease, performed further investigation, and made the proper corrections before the accounting records were closed for the year.

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### **Recommendation No. 17:**

The Department of Regulatory Agencies' Office of Accounting and Purchasing should establish and maintain analytical review procedures over revenue for the Department's divisions and commissions and investigate significant variations.

### **Department of Regulatory Agencies Response:**

Agree. The Department's Office of Accounting and Purchasing is in the process of establishing and maintaining analytical review procedures over revenue and other accounts Departmentwide, which will include investigation of significant variances followed by corrections on COFRS if necessary. The new Department Controller and Assistant Controller have recently attended training from the State Controller's Office on the Financial Data Warehouse. The use of this financial reporting tool will assist in conducting variance analysis periodically during the fiscal year in avoidance of this type of error in future fiscal years. These steps should establish and maintain strong management controls over revenue and other accounts. Implementation date January 2003.

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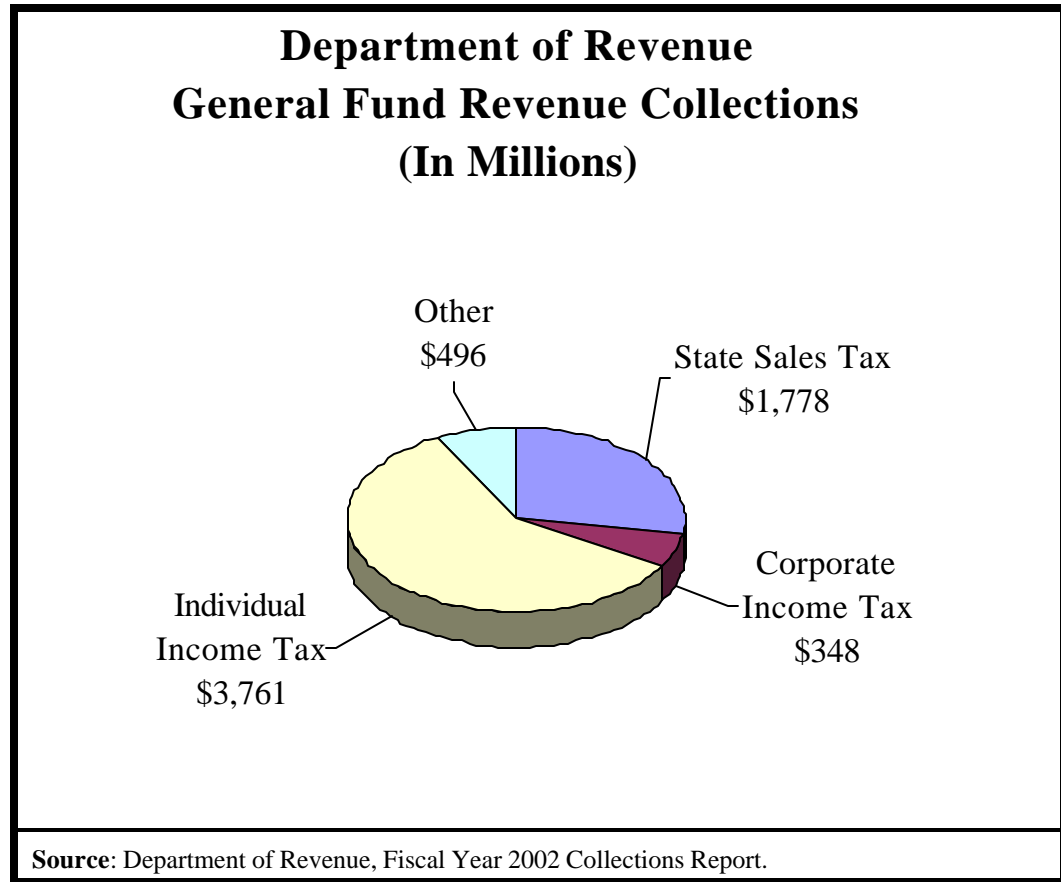
# Department of Revenue

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## Introduction

The Department of Revenue is responsible for managing the State's tax system. Tax collections totaled \$8 billion in Fiscal Year 2002. Of this amount, about \$6.4 billion represents collections for the General Fund; the remainder represents collections made on behalf of entities such as local governments and for the Highway Users Tax Fund. In addition, the Department is responsible for performing various other functions as follows:

- Administer the State Lottery, which grossed nearly \$408 million in ticket sales in Fiscal Year 2002. Of this amount, about \$110 million was available for distribution for capital construction as well as for parks and outdoor projects.
- Act as a collection agent for city, county, RTD, special district, and severance taxes. The Department received over \$900 million in taxes and fees on behalf of other entities.
- Collect taxes and fees for the Highway Users Tax Fund (HUTF), which is primarily for the benefit of highway maintenance projects in the State. In Fiscal Year 2002, amounts collected for the HUTF totaled approximately \$729 million.
- Regulate the limited stakes gaming activities in Cripple Creek, Black Hawk, and Central City. In Fiscal Year 2002 the Limited Gaming Division reported about \$99.8 million in revenue.
- Enforce tax, alcoholic beverage, motor vehicle, and emissions inspection laws.
- Operate the State's 11 Ports of Entry.



In Fiscal Year 2002 the Department had a budget of over \$539 million and 1,527 full-time equivalent staff (FTE).

## TABOR Refund Mechanisms

The Taxpayer's Bill of Rights (TABOR) was added as Article X, Section 20, of the Colorado Constitution in the November 1992 general election. TABOR limits increases in the State's revenue to the annual inflation rate plus the percentage change in the State's population. Revenue in excess of this limitation must be refunded to taxpayers in the following fiscal year unless voters approve a revenue change that allows the State to keep the excess. TABOR also allows the State to use tax credits as a mechanism to refund the excess revenue.

For Fiscal Year 2002 there were 15 credits used to refund the \$927.2 million Fiscal Year 2001 TABOR excess. These included the state earned income credit; the business personal property tax credit; the dividend, interest, and capital gains exemption; the capital



gains modification; the rural health care provider credit; increased child care credits; the foster parent credit; the health benefit plan credit; motor vehicle registration fees; interstate commerce sales and use tax exemption; income tax deduction for charity; agriculture value-added account credit; individual development accounts credit; the high-technology scholarships credit; and the state sales tax refund.

In our prior year audit, we found problems with several of the different TABOR credits, specifically relating to the rural health care provider credit, the earned income credit, the health benefit plan credit, and the business personal property tax credit. In addition, we found that required documentation was not submitted showing eligibility of the taxpayer for the different credits. During the current fiscal year, we continued to find problems with the TABOR refund mechanisms.

## TABOR Credits

Many of the credits require the submission of documentation in addition to the standard return that shows that a taxpayer is eligible to take the credit. Others restrict eligibility by the amount of a taxpayer's federal adjusted gross income. We examined 205 income tax returns in 6 different samples, each relating to 1 of the 15 TABOR refund mechanisms. The credits claimed in these tax returns totaled \$1,733,932.

The types of errors identified in the sample continue to be similar to those found during the previous two fiscal years' audits. Evaluation of the sample identified \$248,902 in credits that were either erroneously granted to ineligible taxpayers or that could not be supported by required documentation. Overall, we found problems in 54, or 26 percent, out of the 205 income tax returns that were sampled (some taxpayers' returns had more than one problem and appear in more than one category below). Specifically, we found:

- **9 out of the 10 taxpayers claiming the rural health care provider credit were not eligible for the credit.** We reviewed 10 taxpayers who claimed \$11,113 in the rural health care provider credit and found that only one individual was certified. Individuals are statutorily required to be certified by the Department of Public Health and Environment (DPHE) to take the rural health care provider credit. Certification is available to health care professionals who reside and practice in areas of Colorado that are understaffed; these health care professionals can take a credit of up to one-third of the amount of qualified student loans. The certification form was missing in 9 of the 10 tax returns sampled, and these 9 taxpayers did not provide student loan information on which the credit calculation is based. In addition, we compared a list of certified taxpayers from the DPHE

with a report showing all taxpayers who claimed the credit and found that 251 out of the 267 taxpayers were not certified. These 251 taxpayers took credits totaling \$172,099 and included the 9 we noted in our sample. We found similar problems in our Fiscal Year 2001 audit. In response to our recommendation, the Department stated that it would investigate a programming change to verify that the taxpayer has a certificate; however, this change was not made. During our current audit we found that the Department did perform a cross-check of the individuals that claimed the credit and those that were certified by the DPHE. However, this cross-check was done after the taxpayer's return had been processed and the taxpayer received the credit. Therefore, the Department had to subsequently bill the taxpayers that were found to have received the tax credit in error.

- **13 out of the 25 taxpayers claiming the health benefit plan credit were ineligible for the credit.** We sampled 25 taxpayers who took health benefit plan credits totaling \$9,558 and found that 13 out of 25, or 52 percent of taxpayers sampled, had federal adjusted gross income in excess of the threshold. The credits issued in error totaled \$4,980. Individuals with a prior year federal adjusted gross income of less than \$35,000 are eligible to take the health benefit plan credit. The credit allows taxpayers to claim a credit for health benefit plans not paid for by an employer or deducted from federal adjusted gross income. During our Fiscal Year 2001 audit, we found similar problems. In response to our recommendation, the Department stated that it would investigate developing a computer edit in Fiscal Year 2002 to verify last year's federal adjusted gross income; however, this new edit was not implemented. In addition, we found that eight taxpayers did not provide the amount of the premium paid for the qualifying health plan.
- **20 out of 145 taxpayers did not include the Colorado Individual Credit Schedule or the Colorado Source Capital Gain Affidavit.** We found that the Colorado Individual Credit Schedule was not submitted in 10 out of 120 instances when required for the credits we sampled, and the Colorado Source Capital Gain Affidavit was not submitted in 10 out of 25 instances in our sample of the Colorado Source Capital Gain Exclusion. These 20 taxpayers claimed credits totaling \$62,965. During both of the last two fiscal year audits, we found that taxpayers did not always submit the schedule or affidavit. The schedules are required by the Department to provide detail to support certain tax credits claimed; however, the Department does not enter the information from the forms into Revenue's accounting system. The Department will process returns without the required Schedule or Affidavit.
- **12 out of the 25 taxpayers claiming the child care credits provided incomplete dependent information.** We sampled 25 taxpayers who claimed

child care credits totaling \$13,732 and found that 12 taxpayers either did not submit dependent information or submitted inaccurate information. These 12 taxpayers claimed credits totaling \$8,858 and had one problem or more with reporting the child care credits. There are three different child care credits that may be claimed by a taxpayer with an adjusted gross income of less than \$64,000. The per child credit is \$300 for children under five years of age; the family home care credit is allowed for taxpayers that are licensed to run a family home care facility and is \$300 per child for children between 6 and 13; and the child care credit is 70 percent of the federal child care credit claimed less any amount that is claimed for the per child and/or family home care credits. All three of these credits require that taxpayers submit information about the eligible child, including date of birth and social security number. This information is documented as part of the Colorado Individual Credit Schedule. During our audit we found that 11 taxpayers did not provide the required dependent information, including 8 taxpayers who submitted an electronic return. In addition, we found three taxpayers claimed the family home care credit for more children than listed on the Schedule. Finally, we found one instance where a taxpayer claimed a credit for a dependent who was older than the maximum age requirement. In all of these instances, the Colorado Individual Credit Schedule was either not submitted or contained inaccurate information, based on eligibility requirements. As mentioned above, the Department does not verify that information from this Schedule is complete and accurate.

It is clear that the Department lacks systems for verifying a taxpayer's federal adjusted gross income at the time a credit is granted. Fair Share, a division within the Department, receives federal tax information from the federal government in order to verify the accuracy of state tax information. However, this information is not received by Fair Share until after the majority of the taxpayers have already filed returns and received the TABOR credits. Additionally, the Department does not ensure that supporting documentation is submitted with the return. Such documentation is already required by statute or the Department's own instructions. Without this documentation, the Department cannot verify the eligibility of taxpayers to take the credits. Because there is no methodology in place to verify eligibility, individuals who were not eligible to take these credits were able to claim them. The Department needs to conduct testwork to determine eligibility, and thereby identify and bill all ineligible individuals who claimed these credits erroneously.

We have identified other instances in which the Department lacks processes for ensuring taxpayers' eligibility for income tax credits. In our Enterprise Zone Program Performance Audit issued in November 2002, we found controls lacking over the issuance of enterprise zone credits. As we reported at that time, we found ineligible taxpayers claiming enterprise zone credits for which they were not certified because the Department did not verify

eligibility. The Department should work on developing additional controls over TABOR credits to ensure that adequate controls are in place once the TABOR credits become effective again. One option the Department should consider is to enter data from supplemental documentation that is required to support certain tax credits claimed, such as the Colorado Individual Credit Schedule, into Revenue's accounting system. This will ensure that all required documentation is submitted before the return is processed. Another option is for the Department to develop additional edits in its computer system to verify the accuracy of the credit. Our audit clearly indicates the need for additional procedures and controls to be developed for future TABOR refunds in order to ensure that only eligible individuals receive the credits.

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### **Recommendation No. 18:**

The Department of Revenue should develop controls to ensure that future TABOR credits are claimed and received only by eligible individuals by:

- a. Identifying and billing individuals who were ineligible to claim TABOR credits.
- b. Implementing a methodology to verify taxpayers' federal adjusted gross income at the time a credit is claimed and to ensure that taxpayers are eligible for the credits taken.
- c. Processing only complete returns, or evaluating alternative methods of ensuring that only qualifying credits are claimed, should the taxpayer fail to submit the required schedules.

### **Department of Revenue Response:**

The Department's approach for determining TABOR credit eligibility reflects resources that have been provided principally as a result of fiscal notes or decision items. Eligibility reviews during processing typically require more resources than reviews after processing. Thus, the Department's TABOR eligibility reviews, including timing and methods, are based on the resources that have been provided and the specific criteria for each credit. With respect to the specific recommendations in the audit report, the following comments are offered:

- a. Agree. As part of its normal processing and compliance practices, taxpayers found to have improperly claimed any TABOR credit are currently billed by the Department for any additional tax liability resulting from denial of their claim. This billing currently occurs whenever the improper claim is identified.

The timing of this billing may differ depending on the nature of the credit, its eligibility parameters, and the specific processing and compliance techniques employed for any particular credit. The Department will continue its current practices in this regard.

With respect to the sampled returns and any other erroneous credits claimed, the Department will make a final review, issue bills, and begin collection activity. This process is in accordance with current department policies and procedures regarding improperly claimed credits. This review and billing will be completed by March 31, 2003.

- b. Partially agree. For TABOR credits tied to current year Federal AGI, verifying cannot be accomplished until the IRS provides the information many months later. If future year legislation requires dependence on verification of prior year AGI, the Department will request appropriate resources to satisfy the recommendation.
- c. Agree. The Department will develop and adopt formal policies and procedures to ensure that compliance alternatives and associated costs are identified and disclosed during the fiscal note process. The Department will further evaluate the feasibility, including costs, to identify during processing those tax returns claiming credits that require attached tax forms or third-party documentation. The evaluation will include the impact on processing cycles and taxpayer compliance. This evaluation will be completed by December 31, 2003.

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## Manual Adjustments to Tax Returns

The Department data enters information from taxpayers' returns into its income tax accounting system (ITAS). The actual returns submitted are microfilmed and retained by the Department. However, once the tax information is entered into ITAS, the system information becomes the official record of the tax return. The system captures various information, such as the taxpayer's account history and TABOR credits. It is also used by the Department to assess additional tax due and refund excess income tax revenue collected from taxpayers.

For some income tax returns, the data posted to the ITAS differ from that submitted by a taxpayer. These differences result from the Problem Resolution Unit (PRU) resolving potential error conditions arising from edits applied by the system to the data entered from a taxpayer's return. Processing of a tax return cannot be completed until the edit

conditions are resolved. In order to resolve the edits, PRU staff make manual adjustments to taxpayer information on ITAS. During our testwork of TABOR credits, we found that the Department needs to improve controls over manual adjustments to ensure that the adjustments are appropriate. Specifically, we identified an instance in which a charitable contribution deduction for about \$7.1 million was entered by Department staff when the taxpayer did not claim the deduction on his return. The overstatement of the charitable contribution deduction caused the TABOR liability on the State's financial statements to be understated by about \$327,000 as of June 30, 2002. The taxpayer's liability was not affected by the charitable contribution deduction, because the Department had made other offsetting changes on the return.

On the basis of our review and discussions with Department staff, we determined that the Department's internal controls over manual adjustments were lacking in the following areas. First, the Department does not have adequate reviews in place for returns that report adjusted gross income of \$10 million or more. Limitations in the Department's accounting system do not permit the Department to enter dollar values of \$10 million or more on a single line. If a taxpayer's income exceeds this limit, procedures state that Data Entry staff should enter the taxpayer's income as \$9,999,999 and enter all other information on the system as it appears on the return. We noted that the Department does not routinely review data entered into its system for returns that report income of \$10 million or more. These returns are a high-risk area for the Department due to the amount of dollars involved and the necessity for manual intervention. The Department should require an independent review of all data entered for these returns.

The second area where controls are lacking concerns the absence of an independent review of manual adjustments made by PRU staff to ensure that adjustments made are appropriate. For the item in our sample, the taxpayer's income in the Department's system was understated by about \$2 million (\$12 million on original return less \$9.9 million posted by staff). This caused the system to flag the return because the system's calculated tax liability did not agree with the liability entered from the original return. When the return was sent to PRU, staff made adjustments in the system, including changing the charitable contribution deduction from zero to \$7.1 million, which "forced" the calculated tax liability to agree to what was on the taxpayer's original return. Since there was no change in the taxpayer's original liability, no independent review was performed of the changes. In this case, however, the change made by PRU staff caused an inappropriate decrease in the TABOR liability of \$327,000 on the State's financial system. Since the charitable contribution is a deduction from taxable income, the TABOR effect is calculated by multiplying the deduction entered with the state tax rate of 4.63 percent. The ability to make manual changes creates a risk of errors and irregularities occurring. The Department should develop procedures to mitigate this risk and detect improper changes.

Finally, we found that the Department does not have sufficient controls over system-generated letters that are to be sent to the taxpayer in cases where manual adjustments result in a change of the tax refund due or liability owed. The standard letter details the adjustments made to the return so that the taxpayer can review and respond to the changes made. The Department stated that the taxpayer in our sample was sent a standard letter; however, the Department could not provide a copy of the letter because copies are not maintained. In addition, we found that the Department tax examiner who enters the adjustment on the return also has the ability to override the system so that a letter is not sent to the taxpayer. The Department should have procedures in place to ensure that taxpayers are notified of all adjustments made to tax returns and that taxpayer notification is not inappropriately overridden by staff.

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### **Recommendation No. 19:**

The Department of Revenue should enhance controls over manual adjustments made to taxpayer returns by:

- a. Performing reviews of data entered into its system on all returns with income of \$10 million or more.
- b. Developing procedures for reviewing manual adjustments to tax returns made by the Problem Resolution Unit.
- c. Ensuring that staff making manual adjustments to tax returns do not improperly override system-generated letters to taxpayers.

### **Department of Revenue Response:**

- a. Agree. The Department recognizes that current system limitations that necessitate exceptions or "work arounds" to standard procedures create greater opportunity for processing error, although the extent of the potential risk is unknown. The underlying problem of the outdated income tax system is the systemic cause of this problem. System changes will be made to flag returns where Line 1 is filled with nines, along with new procedures requiring supervisory review of them. This change can be implemented by January 1, 2004.

- b. Agree. Adjusting taxpayer submitted data to ensure compliance with state statutes and conformance with supporting documentation is a vital part of the Department's procedures from a processing and compliance perspective. The taxpayer's original return is microfilmed and is available if corrections to the electronic record (where adjustments are reflected) are necessary. The Department will assess the risk associated with the edit resolution work performed by PRU staff. The overall objective of the study will be to determine, using valid statistical sampling, the potential "error rate" in tax returns adjusted for the 2001 tax year. Priorities for applying resources, including new and/or expanded procedures to address any identified risk to the Department's accounting system, will be developed and implemented. Assuming adequate computer resources will be available, this project will be completed June 2004.
  
- c. Agree. The Department agrees that processes should be in place to determine if employees are improperly over-riding system controls. Specifically, determining that letters are not being improperly suppressed will be tested as part of the special study described in "c" above. Assuming adequate computer resources will be available, this project will be completed by June 2004.

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## Charitable Contribution Deductions

The charitable contribution deduction began as a TABOR refunding mechanism in Calendar Year 2001. Under statutes, this mechanism allows taxpayers who do not itemize deductions on their federal income tax return to deduct all but \$500 of their charitable contributions on their state income tax return. The charitable contribution refund is claimed by taxpayers as a subtraction from federal taxable income in order to determine the Colorado taxable income. Taxpayers claimed a total of about \$58.8 million in charitable contribution deductions on Calendar Year 2001 returns submitted from January 1, 2002, to October 31, 2002.

During our audit we requested that the Department provide a report detailing all taxpayers who claimed more than \$20,000 for the charitable contribution deduction. This report showed that 41 taxpayers claimed a deduction of greater than \$20,000 between January 1 and October 31, 2002. These deductions totaled about \$4.3 million and ranged from \$20,000 to \$1,676,924. Because the Department does not have a method in place to verify that the taxpayers did not itemize deductions on their federal tax returns, we could



not determine whether the charitable contribution deductions claimed by the taxpayers were valid. In total, if it is found that all 41 taxpayers erroneously claimed the charitable contribution deduction, the State will have received approximately \$198,000 less in income tax revenue.

In most instances, taxpayers itemize deductions on their federal tax return if the total amount of those deductions exceeds the standard deduction. Itemized deductions include such items as charitable contributions, medical and dental expenses, state and local taxes, and mortgage interest. The amount of these deductions, subject to certain limitations, is then deducted from gross income in determining a taxpayer's taxable income. The standard deduction ranges from \$3,800 to \$7,600 depending on the taxpayer's marital status and other factors, with additional deductions allowed for taxpayers age 65 or older and those that are blind. The maximum standard deduction, with additional deductions, that is available to a taxpayer is \$11,200. Therefore, it is likely that an individual who has over \$20,000 in charitable contributions would itemize his or her deductions on the federal tax return. The Department should have some process in place to verify that taxpayers claiming the charitable contribution deduction did not itemize on their federal return and therefore are eligible for the deduction on their Colorado return.

Currently the Department does not have edits in place over the charitable contribution deduction during the processing of returns. The Department does review all income tax returns with refunds over \$3,000, and some returns are stopped for random audits. Therefore, if the taxpayer claimed the charitable contribution deduction, but did not have a refund of greater than \$3,000, the tax return would most likely not be reviewed by the Department. The Fair Share Section within the Department receives federal tax information from the federal government after returns are filed that can be used to review the validity of Colorado income tax returns. However, Fair Share is not planning to review Calendar Year 2001 tax returns until January 2004 and has not determined whether the charitable contribution deduction will be subject to review.

The Department should consider additional procedures to ensure that credits claimed by taxpayers are reviewed. One option is to have Fair Share review all charitable contribution deductions over a certain dollar threshold.

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## **Recommendation No. 20:**

The Department of Revenue should develop and implement procedures to review charitable contribution deductions claimed by taxpayers.

## **Department of Revenue Response:**

Partially Agree. It is not possible to verify at the time of processing whether taxpayers have claimed on their federal return the standard federal deductions because the IRS information necessary to make this verification is not available to the Department until several months after returns are processed. By July 1, 2004, the Department's Fair Share audit section will develop a pilot project using federal information to evaluate the propriety of these deductions.

Moreover, the Department will implement an up-front processing edit to deny this deduction if a taxpayer also claims an addition to Colorado taxable income for state income taxes paid. The state income tax add-back should be made only when the taxpayer does not take the federal standard deduction, but taxpayers sometimes mistakenly include this add-back, even though they have claimed only the federal standard deduction. Therefore, while this edit may have some use as a screening device, the edit cannot be used to verify that the taxpayer claimed only the federal standard deduction.

The charitable contribution deduction is available only in years when there is a TABOR surplus. The Department will implement the processing edit when there are tax years when there are TABOR surpluses.

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## **Personal Property Tax Refunds**

The personal property tax refund began as a TABOR refund mechanism in Fiscal Year 1999. This mechanism allows qualified taxpayers to claim a refund of personal property taxes paid to all taxing jurisdictions in Colorado. In Fiscal Year 1999 all qualified taxpayers were required to submit a paper return and proof of payment to claim the refund; this resulted in the Department's having to manually process more than 100,000 property tax returns. House Bill 00-1145 changed the process by allowing the refunds to be processed automatically on the basis of information provided to the Department by both county treasurers and county assessors. During our Fiscal Year 2001 audit, we found that information provided by the counties was inaccurate, resulting in the Department's having to process more than 2,800 returned checks. House Bill 01-1287 modified the administration of the credit by requiring that one set of information be provided from the county assessor and treasurer, instead of each submitting separate

reports. During Fiscal Year 2002, approximately 81,000 refund checks, totaling about \$101.6 million, were issued to taxpayers as a result of the personal property tax refund.

In our Fiscal Year 2001 audit, we found several problems with the personal property tax refund process, specifically that (1) there were more than 3,100 outstanding, or uncashed, refund checks; (2) data entry errors on taxpayer information were made by the Department; and (3) as noted above, some counties were unclear on the information that was to be provided to the Department. We noted improvements during our current year audit. Most of the improvements occurred because 54 of the 63 counties submitted electronic reports in Fiscal Year 2002, compared with 25 counties in Fiscal Year 2001, which reduced the number of data entry errors by Department staff. The Department also implemented new edits to verify the accuracy of data entry for the amount of tax paid and the number of schedules submitted. However, we continued to find outstanding refund checks.

During our current audit we found that there were more than 2,400 checks, totaling about \$2.1 million, that were outstanding as of November 4, 2002. Among these checks, 39 were related to the Calendar Year 2000 refund checks, totaling about \$269,000. The Department stated that these 39 checks were reissued to the taxpayer; however, the checks were not cashed. The remaining outstanding checks were part of the Calendar Year 2001 refunds and ranged from \$1 to \$169,155. The majority of these checks were issued on a single day, October 29, 2001. Of these, there were 461 checks that were greater than \$500 each. The 10 largest checks ranged from \$28,081 to \$169,155 and were issued to major corporations that should be easily located. The Department reports that it has not contacted any of the taxpayers with these outstanding checks, including the corporations with the 10 highest amounts. The Department believes that all outstanding checks have been received by the taxpayer but have not been cashed. All of the outstanding checks were cancelled in December 2002 as part of the State's expired check process; therefore, the taxpayer must contact the Department in order to have a refund check reissued.

In our Fiscal Year 2001 audit, we recommended that the Department immediately resolve the outstanding checks. The Department contacted the 183 taxpayers that had checks greater than \$500, and reissued checks to these taxpayers, as applicable. Of the 183 taxpayers with checks over \$500, 26 checks remained uncashed as of November 4, 2002. The remaining 13 checks that we noted were outstanding from the Calendar Year 2000 refund were for taxpayers who had checks that were less than \$500. We provided suggestions to the Department to develop procedures to locate the rightful owners of the outstanding checks for future refunds. The suggestions included working with the county that originally provided the taxpayer information, posting the names of the individuals on

the Department's Web page, and turning the outstanding checks over to the Treasury's Unclaimed Property section. As mentioned earlier, the Department did contact taxpayers with outstanding checks in Fiscal Year 2001, but the Department did not implement procedures to locate the rightful owners of outstanding checks for the Calendar Year 2001 refund.

The Department should consider whether it is viable to turn outstanding checks over to Treasury's Unclaimed Property section. Currently the Department has a statute in place that allows uncashed income tax refunds to be turned over to Unclaimed Property, but this statute does not apply to other types of tax refunds. The Department should consider seeking legislation to extend the statute to allow personal property tax refunds to be turned over to the Unclaimed Property section.

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### **Recommendation No. 21:**

The Department of Revenue should resolve outstanding check issues to ensure that taxpayers receive their personal property tax refunds in a timely manner by working with the General Assembly to extend legislation to allow personal property tax refunds to be turned over to the Treasurer's Unclaimed Property Section.

### **Department of Revenue Response:**

Agree. By December 2004, the Department of Revenue will seek legislation implementing the Office of the State Auditor's recommendation regarding uncashed/voided business personal property tax refund warrants. The Department will also consider expanding that request to include other uncashed/voided business tax warrants.

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# Office of the State Treasurer

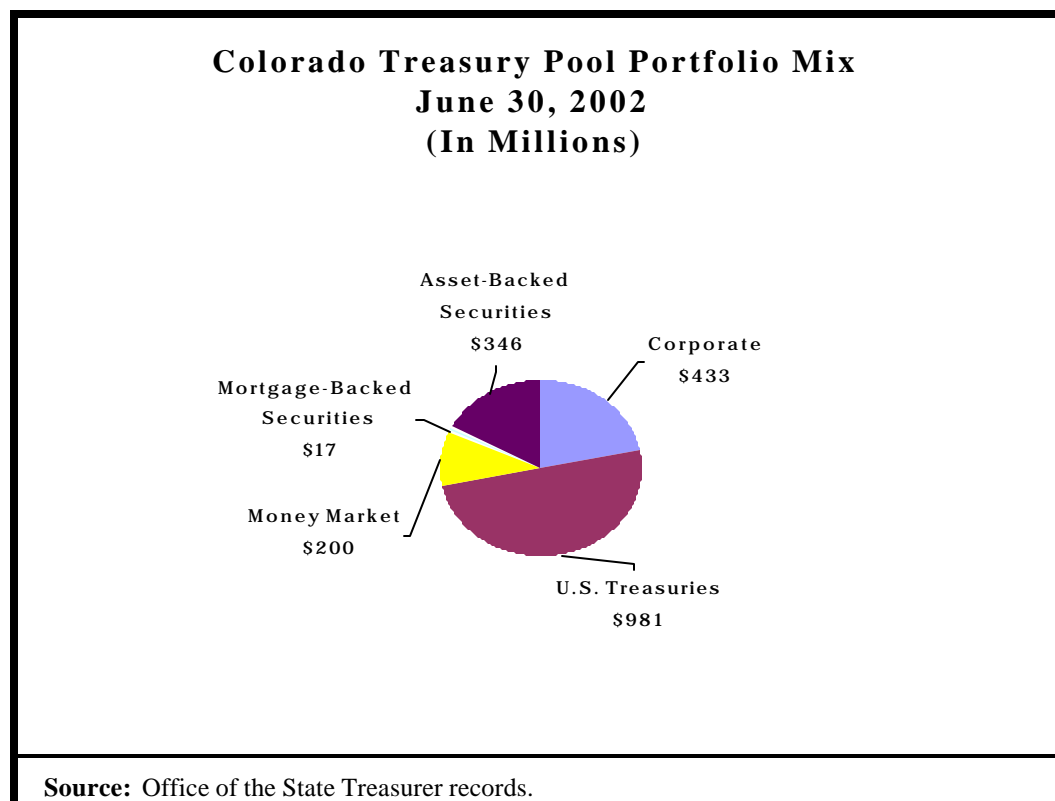
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## Introduction

The Office of the State Treasurer is established by the State Constitution. The Treasurer is an elected official who serves a four-year term. The Office manages the State's investments, and implements and monitors the State's cash management procedures. Other duties and responsibilities include:

- Receiving, managing, and disbursing the State's cash.
- Safekeeping the State's securities and certificates of deposit.
- Managing the State's Unclaimed Property Program, the School District Loan Program, and the Elderly Property-Tax Deferral Program.

The State's pooled investments are made up of a variety of securities as shown in the following chart:



The following comments were prepared by the public accounting firm of Grant Thornton, LLP, who performed audit work at the Office of the State Treasurer.

## **Compliance With Colorado Funds Management Act**

The Colorado Funds Management Act (the Act) under Section 24-75-901, C.R.S., was enacted to allow the State to finance temporary cash flow deficits caused by fluctuations in revenue and expenditures. Under the Act, the State Treasurer is authorized to sell Tax and Revenue Anticipation Notes (TRANS). TRANS are short-term notes payable from the future anticipated pledged revenue.

The Office of the State Auditor reviews information relating to tax and revenue anticipation notes and reports this information to the General Assembly as directed by Section 24-75-914, C.R.S. The following discussion provides information about the Treasurer's July 2, 2002, issuance of \$800 million in General Fund Tax and Revenue Anticipation Notes (hereafter referred to as the Series 2002A Notes) and the November 25, 2002, issuance of \$200 million in General Fund Tax and Revenue Anticipation Notes (hereafter referred to as the Series 2002B Notes).

### **Terms and Price**

Both series of Notes have a maturity date of June 27, 2003, and are not subject to redemption prior to maturity. This date complies with the Act, which requires the maturity date to be at least three days prior to the end of the fiscal year of issue. The following table provides other details of the terms and price.

<b>State of Colorado</b>		
Details of Series 2002A and 2002B Note Issues		
Issue Amount:	2002A	\$800,000,000
	2002B	\$200,000,000
Denomination (Both Series)		\$5,000
Premium on Sale:	2002A	\$11,579,500
	2002B	\$1,456,000
Face Interest Rate:	2002A	3.00%
	2002B	2.50%
Average Interest Cost to the State:	2002A	1.532%
	2002B	1.264%
<b>Source:</b> Office of the State Treasurer records.		
<b>Note:</b> The average interest cost to the State was calculated by the Treasurer's Office based upon the net interest cost on each issue.		

Notes in each series are issued at different face interest rates. These are the rates at which interest will be paid on the Notes. The average interest cost to the State differs from the face amount because the Notes are sold at a premium, which reduces the interest expense incurred.

## Security and Source of Payment

In accordance with the Act, principal and interest on the Series 2002A and 2002B Notes are payable solely from any cash income or other cash receipts recorded in the General Fund for Fiscal Year 2003. General Fund cash receipts include those that are subject to appropriation in Fiscal Year 2003 and any pledged revenue, including the following:

- Revenue not yet recorded in the General Fund at the date the Notes were issued.
- Any unexpended Note proceeds.
- Proceeds of internal borrowing from other state funds recorded in the General Fund.

The State Controller records monies reserved to pay the principal and interest of the Notes in the Series 2002 Note Payment Account (Account) on the State's accounting system. The holders of the Notes are secured by an exclusive first lien on assets in the Account. The State Treasurer holds, in custody, the assets in the Series 2002 Note Account.

If the balance in the Account on June 15, 2003, is less than the principal and interest of the Notes due at maturity, the Treasurer must deposit into the Account all General Fund revenue then available and borrow from other state funds until the balance meets the required level.

The amount due at maturity for Series 2002A is \$823,670,000, consisting of the Note principal of \$800,000,000 and interest of \$23,670,000. The amount due at maturity for Series 2002B is \$202,944,444, consisting of the Note principal of \$200,000,000 and interest of \$2,944,444. To ensure the payment of the Series 2002A and 2002B Notes, the Treasurer has agreed to deposit pledged revenue into the Account so that the balance on June 15, 2003, will be no less than the amount to be repaid. The Note agreement also provides remedies for holders of the Notes in the event of default.

## Legal Opinion

Brownstein, Hyatt and Farber, P.C., bond counsel, have stated that, in their opinion:

The State has the power to issue the Notes and carry out the provisions of the Note agreements.

The Series 2002A and 2002B Notes are legal, binding, secured obligations of the State.

Interest on the Notes is exempt from taxation by the United States government and by the State of Colorado.

## Investments

Both the Colorado Funds Management Act and the Series 2002A and Series 2002B Note agreements allow the Treasurer to invest the funds in the Account in eligible investments until they are needed for Note repayment. Interest amounts earned on the investments are credited back to the Account. The State Treasurer is authorized to invest the funds in a variety of long-term and short-term securities according to Article 36 of Title 24, C.R.S. Further, Section 24-75-910, C.R.S., of the Funds Management Act states that the Treasurer may:



Invest the proceeds of the Notes in any securities that are legal investments for the fund from which the Notes are payable.

Deposit the proceeds in any eligible public depository.

## **Purpose of the Issue and Use of Proceeds**

The Notes are being issued to fund the State's anticipated General Fund cash flow shortfalls during the fiscal year ending June 30, 2003. The proceeds of the sale of the Notes were deposited in the State's General Fund. Note proceeds will be used to alleviate temporary cash flow shortfalls and to finance the State's daily operations in anticipation of taxes and other revenue to be received later in Fiscal Year 2003.

## **Additional Information**

The Notes were issued through a competitive sale. A competitive sale involves a bid process in which notes are sold to bidders offering the lowest interest rate.

The Notes issuance is subject to the Internal Revenue Service's (IRS) arbitrage requirements. In general, arbitrage is defined as the difference between the interest earned by investing the Note proceeds and the interest paid on the borrowing. In addition, if the State meets the IRS safe harbor rules, the State is allowed to earn and keep this arbitrage amount. The Office of the State Treasurer is responsible for monitoring compliance with the arbitrage requirements to ensure that the State will not be liable for an arbitrage rebate.

## **State Expenses**

The State incurred expenses as a result of the issuance and redemption of the TRANS. These expenses were approximately \$173,731 for the Series 2002A and Series 2002B Notes. The expenses include:

- Bond legal counsel fees and reimbursement of related expenses incurred by the bond counsel.
- Disclosure counsel fees and expenses.
- Fees paid to rating agencies for services.
- Costs of printing and distributing preliminary and final offering statements and the actual Notes.

- Travel costs of state employees associated with Note issuance and selection of a financial advisor.
- Redemption costs, consisting of fees and costs paid to agents to destroy the redeemed securities.

No recommendation is made in this area.

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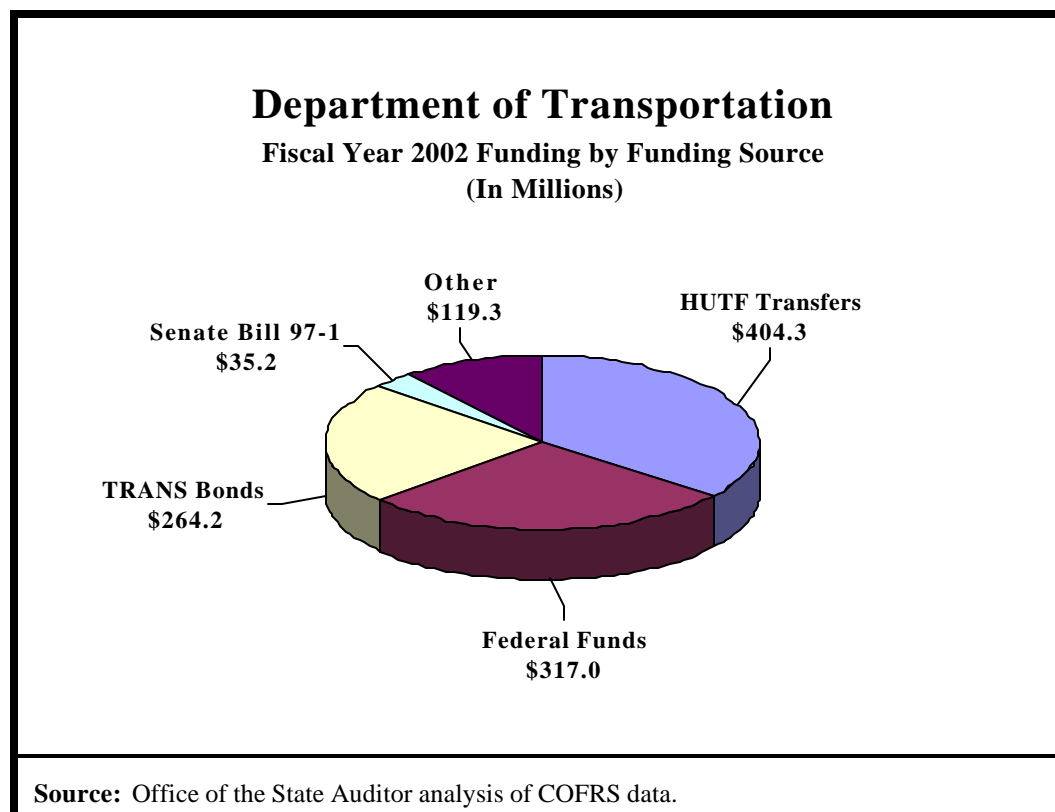
# Department of Transportation

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## Introduction

The Colorado Department of Transportation is responsible for programs that impact all modes of transportation. The State Transportation Commission governs its operations.

In Fiscal Year 2002 about 41 percent of the Department's expenditures were related to construction funded by the Federal Highway Administration (FHWA) and state sales and use tax funds. The Department's portion of the State Highway Users Tax Fund (i.e., the State Highway Fund) and various aviation-related taxes fund most of its other expenditures. The Department also receives monies from other federal agencies that it passes through to local governments and other entities for highway safety and transportation improvement programs. The Department's Fiscal Year 2002 funding totaled \$1,140 billion as shown in the following chart:



## Contract Oversight

In May 2001 the Department of Transportation (CDOT) entered into an intergovernmental agreement with the Regional Transportation District (RTD), the Federal Highway Administration (FHWA), and the Federal Transit Administration (FTA) related to the Southeast Corridor project. The Department defines the cost allocation between the Department and RTD for this project for the years 2001 through 2005 as shown in the following table:

Department of Transportation Cost Allocation on Southeast Corridor Project (In Thousands)							
Responsible Party	Calendar Year					Total	Total Percentages
	2001	2002	2003	2004	2005		
CDOT	\$108,004	\$208,830	\$215,980	\$ 78,348	\$ 48,592	\$ 659,754	53.83%
RTD	17,859	96,525	119,161	155,490	176,737	565,772	46.17%
Total	\$125,863	\$305,355	\$335,141	\$233,838	\$225,329	\$1,225,526	100.00%
CDOT Percentage	85.81%	68.39%	64.44%	33.51%	21.56%	100.00%	

**Source:** Data provided by the Department of Transportation.

The agreement provided that as 2001 billings from the contractor came in, the Department was to pay 86 percent of the invoiced costs and RTD was to pay 14 percent. These payments were made to a third-party escrow agent, and the escrow agent paid the contractor.

We found that the Department paid \$4.8 million in costs related to the project prior to June 30, 2001 which were actually the responsibility of RTD. During Fiscal Year 2001 the Department paid \$30.6 million to the escrow agent for the project, based on the total invoiced amount of \$34 million less retainage of \$3.4 million. According to the agreement, the Department's share of the total costs for Fiscal Year 2001 was about \$26.3 million net of retainage of \$2.9 million and RTD's share was \$4.8 million. We determined that the Department had paid RTD's share of the June invoices.

RTD subsequently repaid the amount owed in Fiscal Year 2002 by paying a greater share of future months' contractor payments. However, the reimbursement due from RTD was not recorded by the Department on the year-end books at June 30, 2001. This resulted

in an overstatement of \$4.8 million in expenditures on the Department's books for Fiscal Year 2001.

The Department's overpayment and unrecorded receivable resulted from a lack of oversight of invoices received to ensure that billings were consistent with the terms of the contract and that only costs attributable to the Department were paid and recorded on its books. Given the size of this contract, it is important that adequate monitoring of the contract is performed to determine that the proper amounts are recorded.

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### **Recommendation No. 22:**

The Department of Transportation should analyze invoices received for the costs incurred on construction projects and record the appropriate costs in accordance with the terms of the contracts.

### **Department of Transportation Response:**

Agree. Payment documents are reviewed to determine appropriateness and compliance with contract terms. The situation identified related specifically to the initial payments for the Southeast Corridor project. Since that time, addition processing controls have been implemented. Implemented December 31, 2001.

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The following comment was prepared by the public accounting firm of Grant Thornton LLP, who performed audit work at the Department of Transportation for Fiscal Year 2002.

## **Depreciation of Buildings**

For Fiscal Year 2002 the State was required to adopt Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. GASB Statement No. 34 requires that certain long-lived assets, such as buildings, be capitalized and depreciated over their estimated useful lives. The majority of the Department's buildings have been in existence for many years. Since this is the first year of implementation, the Department had to estimate the remaining lives of existing assets and allocate the depreciation to prior and future years.

During our review of capital assets, we found that the Department did not record depreciation on its buildings. The historical cost of these buildings totaled approximately \$62.1 million. By using a useful life of 100 years, we estimated that the Department should have recorded approximately \$18 million in prior years' accumulated depreciation and approximately \$700,000 in current year depreciation expense for those assets. The Department made the recommended audit adjustments and subsequently recorded the proper amounts on the State's accounting system.

In addition, the Department aggregated the historical cost of its buildings in making the estimate. While we do not anticipate any significant change from the estimates above, further refinements need to be done. Some buildings may warrant a longer or shorter useful life than 100 years. Some buildings do not meet the criteria for capitalization; that is, the historical cost does not exceed the threshold of \$50,000. The Department should evaluate the useful lives of its buildings and whether all buildings should be capitalized and expensed over multiple years.

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### **Recommendation No. 23:**

The Department of Transportation should ensure the proper recording of capital assets by:

- a. Calculating the estimated useful lives on all buildings using the guidelines outlined in the State Fiscal Procedures Manual.
- b. Recording accumulated depreciation and depreciation expense using the straight-line method and the estimated useful lives as determined above.
- c. Evaluating whether all buildings should be capitalized.

### **Department of Transportation Response:**

Agree. Fiscal Year 2002 was the first year for the implementation of GASB 34. Considerable attention and work effort was expended in identifying, capitalizing, and depreciating the Department's capital assets and infrastructure. Detailed inventory records will be reviewed and adjusted as recommended. Implementation date June 30, 2003.

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# Department of Health Care Policy and Financing

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## Introduction

The Department of Health Care Policy and Financing (HCPF) is the state agency responsible for developing plans for financing publicly funded health care programs. The principal programs administered by HCPF include the Medicaid program, which provides health services to eligible needy persons, and the Children's Basic Health Plan (CBHP), which furnishes subsidized health insurance for children 18 years or younger in low-income families not eligible for Medicaid. The Medicaid grant is the largest federal program administered by the State and is funded approximately equally by federal funds and state general funds. CBHP was implemented in Fiscal Year 1998, and it serves as the State's version of the federal Children's Health Insurance Program. CBHP is financed by approximately two-thirds federal funds and one-third state funds. CBHP is marketed as Child Health Plan Plus, or CHP+. During Fiscal Year 2002 the Department expended in total about \$2.5 billion and had 181 full-time equivalent (FTE) staff. In Fiscal Year 2001, HCPF expended \$2.3 billion and had 172 FTE.

The public accounting firm of BKD, LLP, performed the audit work at HCPF as of and for the fiscal year ending June 30, 2002. During its audit, BKD, LLP, reviewed and tested HCPF's internal controls over financial reporting and federal programs. Also included was testing of HCPF's compliance with certain state and federal laws and regulations as required by generally accepted auditing standards, *Governmental Auditing Standards*, and U.S. Office of Management and Budget (OMB) *Circular A-133*.

## Allowable Costs

Under the federal Medicaid program, certain expenditures are considered allowable costs and thereby qualify for reimbursement by the federal government. Total Medicaid program expenditures, excluding administrative costs, were over \$2.3 billion for Fiscal Year 2002, which represents a federal share of just over \$1.2 billion. The audit tested a stratified sample of 100 program expenditures and credits with a net value of \$19,258,531 (federal share \$9,629,266) for allowability under Medicaid regulations.

The types of errors identified in the sample continue to be similar to those found during the previous three fiscal years' audits. Overall, evaluation of the sample identified three program expenditures that did not comply with one or more of the allowable cost criteria for the Medicaid program. These three items had a value of \$2,476 (federal share \$1,238). The errors were as follows:

- **Prescription Credits.** Regulations allow the costs for prescriptions to be billed only if the recipient obtains the prescription within 14 days and the receipt is documented by the recipient's signature. Should a recipient not pick up a prescription within that time frame, the pharmacy is required to credit the original cost back to the Medicaid program. During our testing in Fiscal Year 2002, it was noted that in 1 of 10 pharmacy claims tested, the pharmacy provider was unable to furnish documentation indicating the recipient received the prescription within the 14 days.

In response to prior years' findings, during the third quarter of Fiscal Year 2002, the Department implemented procedures to monitor and periodically test the pharmacy signature logs to ensure the Medicaid program receives credit for prescriptions not claimed within 14 days. The pharmacy claim tested during the audit was from the period prior to the Department's implementation of these new procedures. The Department plans to continue its monitoring and testing procedures and review and reassess these as necessary.

- **Private Duty Nursing.** The one home health claim reviewed in the sample was for services that require prior authorization. No prior authorization was in the paper file, and the claim was processed through the Medicaid Management Information System (MMIS) and paid without MMIS's checking for a prior authorization. System edits within MMIS should be programmed to require that a prior authorization be entered for all such claims before the claim is approved for payment.

(CFDA Nos. 93.777, 93.778; Medicaid Cluster; Allowable Costs.)

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## **Recommendation No. 24:**

The Department of Health Care Policy and Financing should ensure payments are made only for allowable costs under the Medicaid program by:

- a. Continuing to monitor and document the results of the newly established procedures to randomly test pharmaceutical providers' compliance with



requirements for maintaining chronological logs of the Medicaid recipient signatures.

- b. Performing periodic reviews of services that require prior authorization and ensuring that MMIS system edits are properly identifying and denying services lacking the required authorization.

### **Department of Health Care Policy and Financing Response:**

- a. Agree. A Medicaid bulletin was released to all pharmacies, physicians, and osteopaths in September of 2001 informing them of revised regulation 8.870.06 concerning obtaining signatures and return to stock/crediting provisions in cases where prescriptions are not picked up within 14 days.

Program Integrity implemented a process beginning the first quarter of calendar year 2002 whereby three pharmaceutical providers are randomly selected per quarter for review of claims submitted for a one-month period. Documentation is requested that supports obtaining the client's or their representative's signature at the time of picking up prescriptions, and the return to stock with credits for prescriptions not picked up within 14 days.

To date, nine pharmacies have been reviewed. Six cases have been closed without a recovery recommendation. Of these six, either there was 100 percent compliance to the regulation for the claims reviewed or the amount owed was below the \$200 minimum recovery amount pursued by Program Integrity. The remaining three cases were closed with recommendations to recover. Program Integrity plans to continue random review of pharmacies on a quarterly basis.

- b. Agree. The Department continues to work with the fiscal agent to ensure that the Medicaid Management Information System has edits designed to prevent payment for unauthorized services. The Department will review these edits to ensure they are being set properly. Further, the Department will review the services codes that are to be prior authorized to ensure that the authorization indicators are set correctly. Completion scheduled for this year's review is the end of March 2003.
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## Eligibility Databases Oversight

The audit reviewed the Department's procedures for complying with federal requirements for determining the eligibility of the individuals who receive benefits and the providers who receive reimbursements under the Medicaid program. HCPF has established an agreement with the Department of Human Services (DHS) to oversee the determination of an individual's eligibility for Medicaid through county departments of social services. These departments are under the oversight of DHS. County departments are responsible for inputting information related to an individual's eligibility into the Client-Oriented Information Network (COIN) system or the Trails information system, which track and monitor beneficiary eligibility. The information in COIN and Trails is used by MMIS in determining whether or not a claim should be paid on the basis of the individual's eligibility.

### Individual Eligibility

The audit tested individual eligibility for 100 expenditures by reviewing paper files from the county departments of social services and comparing information from those files with the data maintained within the COIN and Trails systems. Though beneficiaries were eligible to receive the services provided for the sample claims selected, we identified numerous inconsistencies between information in the files and the data in COIN. These inconsistencies diminish the integrity of the data in the COIN system. Therefore, although the claims tested during our audit were appropriate for payment, there is a risk that other claims were, or could be, inappropriately paid or denied on the basis of erroneous information in COIN.

- In reviewing the eligibility for two beneficiaries, we found that although the claims in our sample were appropriately paid under Medicaid, documentation in the file indicated that the beneficiaries had died subsequent to the date of this claim. We noted that the Department made additional monthly capitation payments totaling \$61 for services after the date of death for these two beneficiaries. There was no evidence that the Department had attempted to recover these payments made after the date of death for the beneficiaries tested by the auditors.
- In three instances, incorrect income amounts were reported in COIN, and in three other instances, incorrect disability codes were reported in COIN. As explained above, although the claims tested in our sample were appropriate for payment, incorrect information in COIN creates a risk that other claims may not be handled properly.

In our Fiscal Year 2001 audit, we recommended that the Department include in its eligibility testing an element of random sampling across all program areas. In its response, the Department reported that it does not perform random testing across all program areas and, instead, through a federally approved pilot project, targets eligibility testing toward areas considered to be of high risk. The Department indicated that it would develop a sampling methodology for use in the Colorado Benefits Management System (CBMS) that would allow it to sample all eligibility categories, and it anticipated that this methodology would be in place by August 2002.

As of the end of our Fiscal Year 2002 audit, the Department had not developed this methodology. It is important that HCPF develop a random sampling methodology in order to ensure that all areas are periodically tested for eligibility determination accuracy. In addition, periodic random testing would enable the Department to reevaluate its risk assessment. According to federal regulations, individuals must be eligible for the Medicaid program in order to receive benefits (42 CFR Part 435, Subparts G and H). By not ensuring that client eligibility is accurately determined and ensuring that eligibility information in COIN is accurate, HCPF risks that benefits may be paid on behalf of ineligible individuals. If erroneous payments are made, HCPF would have to repay to the federal government any Medicaid monies previously reimbursed to the State for these individuals.

(CFDA Nos. 93.777, 93.778; Medicaid Cluster; Eligibility, Client Eligibility.)

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## **Recommendation No. 25:**

The Department of Health Care Policy and Financing should strengthen controls over the data in systems used as the basis for determining beneficiaries eligibility to receive Medicaid services by:

- a. Performing random testing of eligibility information in the COIN and Trails systems and making corrections as appropriate.
- b. Establishing procedures to ensure that COIN is updated accurately to reflect the date of death for all beneficiaries and that payments made after the beneficiary's death are recovered from providers.

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## **Department of Health Care Policy and Financing Response:**

- a. Agree. Statewide random sampling will be possible with the implementation of the Colorado Benefits Management System (CBMS). Current implementation date is January 2004.
- b. Agree. The Department agrees that data used as the basis for determining eligibility should be accurate. Currently the Department must rely on clients' families to report deaths and county departments of social/human services to record date-of-death information in COIN. To improve the accuracy of the data, the Colorado Benefits Management System (CBMS) will have an automatic interface with Department of Public Health and Environment's Vital Statistics data, ensuring far greater accuracy of the data on deaths in the State and preventing inappropriate payments for services. CBMS is scheduled to be implemented in January of 2004.

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## **Provider Eligibility**

The Department has contracted with its fiscal agent for the Medicaid program, Affiliated Computer Systems (ACS), to determine the eligibility of providers to receive reimbursement for services provided under the Medicaid program. As part of this contract, the fiscal agent is required to maintain documentation to support that the medical providers are licensed in accordance with federal, state, and local laws and regulations (42 CFR sections 431.107 and 447.10; Section 1902(a)(9) of the Social Security Act). Nonetheless, under federal regulations the Department of Health Care Policy and Financing remains ultimately responsible for the Medicaid program. This means that HCPF must have controls in place to ensure compliance with state and federal regulations for all aspects of the Medicaid program, whether performed directly by the Department or by another entity through contractual or other formal agreements.

During the Fiscal Year 2002 audit, a sample of 30 provider files was tested. Of these, only 6 files had documentation supporting licensure in the State to provide services, Electronic Data Interchange agreements, and provider agreements. The Department was able to request and resolve provider eligibility issues for sampled items. However, HCPF recognizes that documentation should be improved so that all required information is obtained and retained on a prospective rather than on a retrospective basis. The Department is currently in the third year of a five-year re-enrollment plan to update

provider files and address problems with maintaining current documentation of provider eligibility and required agreements.

During Fiscal Year 2002 the Department's provider enrollment committee continued working on provider reenrollment, as outlined in its strategic plan for addressing provider eligibility issues. The Department continued to terminate providers with unknown addresses, providers with only post office box addresses, and providers with no claim activity for the past three years. The Department is also continuing a reenrollment process for all the Primary Care Physicians (PCPs). This process requires PCPs to furnish updated provider agreements and proof of licensure.

Additionally, the Department is reviewing requirements under the federal Health Insurance Portability and Accountability Act and the potential for sharing electronic data on licensing information with other state and federal agencies. Currently the Department conducts a manual review of licensing information from the Department of Regulatory Agencies. If HCPF identifies Medicaid providers whose licenses are expired, revoked, or inactive, the providers are terminated in MMIS.

Controls over provider eligibility are important because if payments are made to ineligible providers, the Department must refund monies previously reimbursed to the State by the federal government. Therefore, the Department should continue its activities under its strategic plan for addressing provider eligibility, including efforts to ensure that the fiscal agent meets requirements related to provider documentation.

(CFDA Nos. 93.777, 93.778; Medicaid Cluster; Provider Eligibility, Special Tests and Provisions.)

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## **Recommendation No. 26:**

The Department of Health Care Policy and Financing should continue to improve controls over provider eligibility by:

- a. Requiring the fiscal agent to review all provider files to ensure each file includes a current provider agreement and documentation of applicable provider licenses and registrations.
- b. Revising control procedures to ensure expenditures are made only to eligible providers.
- c. Developing procedures to update provider licensing information on an annual basis to ensure its accuracy for changes that occur throughout a given year.

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## **Department of Health Care Policy and Financing Response:**

- a. Agree. The fiscal agent will review files from December 1998 forward to make sure each file contains the provider agreement. Provider licenses are recorded in the Medicaid Information Management System and not the provider files. The Department continues to manually update provider licenses into the Medicaid Management Information System. This will be completed by November 1, 2003.
- b. Agree. The Department continues to implement procedures to ensure that only eligible providers receive reimbursement. The Department continues to manually terminate providers who are found to be ineligible. This finding remains part of the Department's provider enrollment plan schedule for completion 2005.
- c. Agree. Currently, there are no unique identifiers for medical professionals that would allow the Department to conduct data matches between Medicaid Management Information System and the databases maintained by the Department of Regulatory Agencies. Once the Health Insurance Portability and Accountability Act (HIPAA) is implemented, the Department will be able to use the National Provider Identification to update information systematically. The HIPAA provider identification number federal rule is estimated to be completed in early 2003. The Department will have two years from the time the rule is adopted to be in compliance. Until then, the Department continues to update the database manually.

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## **Long-Term Care Documentation**

The Department is responsible for ensuring long-term care facilities are receiving updated payment rates in a timely manner. During testing, it was noted that because of staff turnover, the Department experienced a lapse in date stamping rate revisions and reviews when the reviews were received from its contract auditor for long-term care facilities, as well as when the rate notifications were sent to the provider facilities. Because these documents were not date stamped, the Department was unable to demonstrate that providers were furnished with rate notifications and revisions within the 10 days required under state regulations (Staff Manual Vol. 8441.2-G). Further, the Department is required to issue quarterly summaries of each provider's Resource Utilization Groups (RUGs); these summaries identify a snapshot of patients' acuity levels in a given long-term care facility at

a point in time. The Department must submit these summaries to facilities for their review and correction because HCPF uses patient acuity levels in assessing revisions to facilities' rates. The Department did not date stamp the issuance and receipt of the RUGs quarterly summaries, and therefore, HCPF cannot demonstrate that it conducted this process in accordance with required timelines.

(CFDA Nos. 93.777, 93.778; Medicaid Cluster; Special Tests and Provisions.)

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### **Recommendation No. 27:**

The Department of Health Care Policy and Financing should date stamp all rate revisions and reviews when received and all rate information sent to provider facilities.

#### **Department of Health Care Policy and Financing Response:**

Agree. Effective November 1, 2002, the Department implemented date stamping procedures—for both rate calculation receipt and issuance to providers—to demonstrate compliance. Additionally, date stamping procedures have been implemented for the quarterly case mix validation summaries. The Program Operations Manager position is now responsible for maintaining these procedures and for monitoring staff compliance on an ongoing basis.

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## **Outpatient Hospital Settlements**

In Fiscal Year 2002, HCPF reimbursed hospitals \$52.8 million for outpatient services. Certain outpatient hospital services are reimbursed on the basis of a hospital's actual cost, less a Medicaid outpatient cost reduction of 28 percent. The Department pays claims for outpatient services to participating hospitals by using payment rates based on estimated costs. Federal regulations require that the Department perform an annual retroactive cost settlement for each facility and make appropriate adjustments to ensure the facility is reimbursed on the basis of the hospital's actual costs. The Department uses an independent contractor to complete the cost settlement process. Since Affiliated Computer Systems (ACS) became the State's Medicaid fiscal agent in December 1998, the contractor has been unable to calculate these cost settlements with providers because ACS has not produced reports required for the settlement process. As a result, HCPF has not issued any rate settlements for outpatient hospital services to providers since 1997.

Two essential components utilized in settling these service rates are (1) the provider's Medicare cost-to-charge ratios, which are calculated in the provider's Medicare cost report, and (2) a summary of the provider's paid Medicaid outpatient claims, which should be furnished by the Medicaid fiscal agent. The fiscal agent is responsible for processing all Medicaid claims through MMIS. Providers were required to file their Medicare cost reports for 1998 with the Medicare fiscal intermediary approximately five months after their facility's cost reporting year-end. In many instances, these cost reports have already been finalized for Medicare purposes. The cost reports have not been completed for Medicaid purposes because the Medicaid fiscal agent has not been able to produce accurate summary claim reports on outpatient services. Therefore, the Department does not know whether a facility has been underpaid or overpaid for these services after 1997, or by how much. Upon completion of these cost settlements, there is the potential that the Department will be required to make significant adjustments related to these cost settlements, although the overall impact of these adjustments is not known.

(CFDA Nos. 93.777, 93.778; Medicaid Cluster; Special Tests.)

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### **Recommendation No. 28:**

The Department of Health Care Policy and Financing should require that the fiscal agent generate accurate claims summary reports for settling all hospital outpatient service claims payments within a specified time frame. If reports meeting the Department's requirements are not produced within the time frame, the Department should assess liquid damages against the fiscal agent.

### **Department of Health Care Policy and Financing Response:**

Agree. Cost settlement reports run 10 months after the provider's fiscal year ends. Cost settlement reporting is now in production. The Department needed to retroactively run 1998 and 1999 cost settlements. The reports for 1998 will be completed by December 31, 2002, and the reports for 1999 will be completed by January 31, 2003. The fiscal intermediary is now in compliance with the ongoing production of the cost settlement reporting requirements.

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## Residential Treatment Centers Overview

Residential treatment centers (RTCs) offer 24-hour care and mental health services to youth up to age 21 who are determined to be mentally ill. Youth may be placed in an RTC either by the Division of Youth Corrections (DYC) or county departments of social services. During the first six months of Fiscal Year 2001, counties had about 1,340 youth in RTCs each month while DYC had about 251 youth. For youth discharged from DYC during Fiscal Year 2001, the average length of stay in an RTC was about seven months. Similar data are not available regarding youth placed by counties due to problems with the Colorado Trails system. RTCs represent the most expensive out-of-home placement option, costing an average of about \$53,000 per youth per year for room and board and mental health treatment services. This increases to an average of about \$67,000 per youth per year for those RTCs that also have an approved on-grounds school.

Funding for the RTCs comes from a combination of state funds, county funds, and federal funds. The rate paid to RTC providers comprises three components. Mental health treatment services represent the largest component of the rate. Mental health services are funded through Medicaid. RTCs receive a flat daily rate based on the youth's Level of Care (A, B, or C). Most youth are assigned to Level B. In Fiscal Year 2001, Level B treatment rates, the standard for RTCs, varied from \$33,310 per year to \$47,684 per year depending on the facility. The second component of the rate covers room and board expenses. Room and board rates are set through competitive bidding by DYC and negotiation by counties. Room and board expenses are paid using state and county funds and range from \$6,672 per year to \$22,287 per year depending on the facility, the youth, and whether DYC or a county places the youth. The third component of the rate is paid to approximately 38 RTCs that have approved on-grounds schools enabling them to receive reimbursement from the Colorado Department of Education and local school districts. In Fiscal Year 2001, per pupil operating revenue (PPOR) and excess cost payments varied from \$6,329 to \$18,199 on an annual basis.

During Fiscal Year 2002 the Office of the State Auditor conducted a performance audit of the Residential Treatment Center Rate Setting and Monitoring process. The audit comments below were contained in the *Residential Treatment Center Rate Setting and Monitoring Performance Audit*, Report No. 1406, dated January 2002.

## Controls Over Claim Payments

In Fiscal Year 2001 the State paid residential treatment centers approximately \$69.2 million for mental health services. Medicaid claims are paid through the State's Medicaid

Management Information System (MMIS). The Department of Health Care Policy and Financing (HCPF), the Department of Human Services (DHS), and the State's fiscal agent, Affiliated Computer Systems, Inc. (ACS), formerly known as Consultec, share the responsibility for ensuring that only accurate and allowable claims are paid.

During our audit we reviewed the claims submitted by RTC providers for treatment services provided to county-placed youth. As noted earlier, mental health treatment services are reimbursed on a flat daily rate depending on the level of care. Due to the fact that Colorado Trails contains incomplete data, we had to use room and board payment data from the system that was in existence prior to Trails (the CWEST system). We compared the billing and payment information in MMIS with room and board records in CWEST to try to match room and board claims to mental health treatment claims for all youth receiving services in August 2000. Our review of 1,497 Medicaid claims indicated inadequate controls over the payment of these claims.

## **Errors in Medicaid Payments for RTC Claims**

Our audit focused on whether RTC providers accurately submitted Medicaid claims for allowable costs. Of the 1,497 claims reviewed, we found at least one error in 455 (30 percent) of them, totaling over \$98,000 in erroneous payments for August 2000. Annualized, this could amount to over a million dollars in inaccurate payments.

We identified 147 claims for amounts that did not correspond to any of the established Level of Care rates for a particular provider. For example, one provider appears to consistently be charging about \$6.00 more per day than the Level of Care B rate for 14 of the 17 youth it served in August 2000. For the days the 14 youth were served, we estimate the provider received about an extra \$2,000. Dates of services for treatment claims did not match room and board dates in 211 claims. Thirty-four percent of those with dates of service that did not match resulted in apparent overbilling. Providers appeared to bill for treatment services for youth who, according to corresponding room and board payments, had not yet entered the RTC or had already left. We also found 108 claims submitted by providers that appear to be bills for the last day of service, which is specifically prohibited by Department of Human Services rules. Finally, we found numerous inconsistencies with the information internal to the youths' MMIS payment record. These included submitting two separate and different calculations of dates of service and improper account codes.

Inadequate controls over RTC Medicaid claim payments include the following:

- a. **Basic System Edits.** We found that basic edit checks are needed. For example, although RTCs are supposed to submit claims based on three Levels of Care, the MMIS system only contains the rate matching the highest and most expensive level—Level C. In other words, MMIS contains an upper payment limit but lacks controls over specific payment levels. As noted in our 2001 Medicaid Management Information System report, ACS, the State's fiscal agent, has had difficulty keeping up with edit change requests. We found that, over two years ago, HCPF submitted a Change Request Letter to ACS to input all three Level of Care rates. To date this has not been done.

Second, although Division of Child Welfare representatives informed us that they believe MMIS should contain edits to ensure that dates of service are accurate, this is not the case. ACS representatives indicated that they check to ensure that the youth is Medicaid-eligible, but that the MMIS system does not cross match the days of service or whether the youth is actually at the RTC with the Department of Human Services systems (Colorado Trails or CWEST).

- b. **Claims Review.** RTC claims are not routinely sampled to ensure accuracy. The Department of Health Care Policy and Financing (HCPF) has general procedures in place to review all Medicaid claims. Claims audits are conducted by Information Section and Program Integrity Unit staff. The Information Section staff conducts a quarterly audit of a sample of claims from all 13 Medicaid categories to ensure the accuracy of the system's payment process. RTCs are included in the criteria for the sample, but there is no guarantee that an RTC claim will actually be selected. In addition, the Information Section audit focuses on whether payments are made in accordance with the edits in the MMIS system. For RTCs, the check would be to ensure that the claim does not exceed the Level C rate, not whether the RTC provider submitted a claim for the proper rate. The Program Integrity Unit investigates allegations of improper billing but does very little related to RTC payments. Staff noted only one case in the last year involving an RTC and it was a placement rather than a billing issue.

In addition to the oversight currently done by the Department of Health Care Policy and Financing, the Department of Human Services has access to the MMIS system and could check the accuracy of claims. However, the Division of Child Welfare staff noted that the one FTE designated for the RTC program is focused on other duties. The Division tracks the total Medicaid amount spent by each county for RTC placements. While these data can be used by counties to try to get a picture of their standing in terms of overall appropriated monies, they do not provide any information related to the accuracy of claims payments.

As already noted, we identified errors in 30 percent of the claims we reviewed. We believe that the Department of Health Care Policy and Financing and the Department of Human Services need to perform more program-specific sample claims audits. We note that the MMIS system has the ability to produce RTC claims reports to include both summarized information and individual claim data for such an analysis.

- c. **Compliance With Approved Vendor List:** Finally, a good system of internal controls would include checks over vendors. Department of Human Services rules state that payments cannot be made to a provider unless that provider is listed on the Division of Child Welfare's approved vendor list. This is meant to ensure that only those providers who meet all state licensing requirements serve youth and receive the corresponding state payments. We found two providers are currently receiving placements from the counties and submitting claims for Medicaid reimbursement, even though they are not on the approved vendor list. We asked Division staff to determine if these vendors were approved. They informed us that in these two cases the providers met all requirements and their absence from the vendor list was a documentation error. To date, however, the Department has not corrected its vendor list. Maintaining an accurate list and checking it prior to payment is important in expediting claims and ensuring accuracy.

We also spoke with the RTC Administrator about how the vendor list is amended and ACS notified of those providers who are no longer eligible for RTC placements. The Administrator stated that he verbally informed ACS about those providers that had closed but had not sent an official transmittal letter removing them from the MMIS system because those providers had outstanding Medicaid bills to be paid. The two departments need to develop payment cutoff points to ensure that these providers do not continue to bill ACS for mental health treatment services. The RTC Administrator also needs to ensure that the vendor list is updated to accurately reflect eligible providers and existing reimbursement rates.

In conclusion, our review indicates the possibility of over \$98,000 in Medicaid overpayments during the month of August 2000 alone resulting from a lack of payment controls. The State has the responsibility for ensuring that only accurate and allowable Medicaid bills are paid. Although Medicaid-funded mental health treatment services are an entitlement, overpayments are inappropriate and impact county finances. Counties are responsible for using their own funds to pay the Medicaid match when the block funding has been exceeded. In addition, failing to audit the claims leaves open the potential for Medicaid fraud. The State, through the Department of Health Care Policy and Financing

and/or the Department of Human Services, needs to conduct periodic audits of the MMIS billing and payment information related to RTC providers to ensure accurate payments. In addition, the Department of Health Care Policy and Financing should work with ACS to establish additional edits in the MMIS system that will help prevent inaccurate billings. In regard to the potential overpayments due to the lack of payment controls, HCPF needs to recover these overpayments.

The counties and DYC are in the best position to verify the accuracy of RTC provider billing and payment information. These entities authorized the placement of the youth and, therefore, know the authorized rate. They also have placed the youth and thus they know the providers and the true dates of service. In addition, DYC and the counties have both a financial and an operational need to verify RTC billing information. On the financial side, counties and DYC need to operate this program within authorized spending authority. From the operational perspective, the counties and DYC must ensure that RTC providers charge for the youth's approved Level of Care.

In addition, HCPF could require ACS to cross-check payment claims with the room and board information in the Colorado Trails system. Division of Child Welfare representatives informed us that the room and board information in the Colorado Trails system should accurately reflect the placement of the youth and the days of service. Such cross-checking would prevent the payment of claims for last day of service and billing for days in which the youth was not in the RTC. However, this would involve allowing ACS access to the Colorado Trails system and a willingness by ACS to perform these checks prior to payment. ACS representatives informed us that they could perform such cross-checking but that it could lead to additional costs under the contract.

(CFDA Nos. 93.777, 93.778; Medicaid Cluster; Activities Allowed or Unallowed, Allowable Costs/ Cost Principles, Eligibility.)

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### **Recommendation No. 29:**

The Department of Human Services should implement procedures to ensure that it pays only allowable costs for RTC services. This could be accomplished by verifying the accuracy of RTC provider billing and payment information through periodic audits.

### **Department of Human Services Response:**

Agree. Estimated Completion Date: No later than July 1, 2003. Since counties and DYC already verify room and board payments, the Department will require

providers to route treatment invoices through the placing county or NYC to similarly verify Medicaid treatment payments for ACS.

### **Recommendation No. 30:**

The Department of Health Care Policy and Financing should implement procedures to ensure that it pays only allowable costs for RTC services by:

- a. Verifying the accuracy of RTC provider billing and payment information through periodic audits.
- b. Requiring Affiliated Computer Systems, Inc., the State's fiscal agent, to include additional payment edits within the Medicaid Management Information System to ensure that the system has adequate controls to prevent inaccurate billing.
- c. Seeking to recover overpaid amounts for the prior periods.

### **Department of Health Care Policy and Financing Response:**

- a. Agree. The accuracy of payment will continue to be a part of the Claims Processing Assessment System (CPAS) reviews. However, as noted in the narrative, these reviews only assess whether the system paid the claim correctly according to the policy that is implemented within the system. It is the obligation of the provider to properly bill for the services rendered. The Program Integrity Unit within the Quality Assurance Section will conduct random sample monitoring to assess whether this is done correctly. This monitoring will commence in March 2002. Recommendations for a recovery plan will result from the sampling. The Department anticipates recovery on substantiated overpayments to begin August 2002, or within two months of being identified.

Human Services staff continue to use the Executive Information System/Decision Support System to review claims for services. Through the use of this capability, staff would be able to compare claims data with the records at the RTC and the local agencies for appropriateness of billing, and compare their list of valid RTC providers with the definition used by the Medicaid Management Information System to ensure payments to only valid providers.

- b. Agree. The Medicaid Management Information System change request to accommodate the three pricing levels was put in the queue in September 1999. There are policy decisions that need to be made about how to handle the problems identified in this audit. The design considerations include the use of prior authorizations, coding of services, and other possible solutions. Once the policy decisions are made, the systems changes to implement the policies can be made within six months. Health Care Policy and Financing commits to working with Human Services staff to resolve the policy issues. It is anticipated that the systems changes will be in place by the end of October 2002.
- c. Agree. The Department will pursue recoveries through the work done by Program Integrity (described in item a). Once identified and substantiated, the recovery process can begin within two months, though it may take longer than that to receive all the identified money. As Department of Human Services identifies overpayments, financial transactions can be entered into the Medicaid Management Information System to make recoveries from providers from current payments. Other recovery methods will be explored with Human Services.

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## Colorado Indigent Care Program

The Colorado Indigent Care Program (CICP) promotes access to health care for low-income state residents who are uninsured or lack adequate insurance (e.g., their benefits are exhausted or limited) and are not eligible for Medicaid. The program is administered by the Department of Health Care Policy and Financing (HCPF).

CICP was not designed or intended to be an insurance plan and does not qualify as one under state law. Statutes describe the program as a “partial solution to the health care needs of Colorado’s medically indigent citizens” (Sec. 26-15-102 (2), C.R.S.). In practice, CICP is a financing mechanism through which the State reimburses participating providers for a portion of the costs incurred in treating individuals that meet CICP eligibility requirements. In turn, participating providers must adhere to state-established limits for amounts charged to CICP-eligible individuals. Thus, CICP promotes access to health care services for low-income uninsured individuals by helping to defray providers’ costs of furnishing care and by limiting the amount that individuals receiving the care must pay. CICP is funded through Medicaid funds made available to states under the Disproportionate Share Hospital program and the Major Teaching Hospital program.

During Fiscal Year 2002 the Office of the State Auditor conducted a performance audit of the Colorado Indigent Care Program. The audit comments below were contained in the *Colorado Indigent Care Program Performance Audit*, Report No. 1391, dated March 2002.

## **Overlap between Medicaid and the Colorado Indigent Care Program**

The Colorado Indigent Care Program is one of several state programs that provide health care to indigent individuals. The Medicaid program also serves this population and is administered by the Department of Health Care Policy and Financing. Although both CICIP and Medicaid target roughly the same population, there are important differences between the programs, ranging from how the programs are financed to beneficiary eligibility requirements. From a budgetary perspective, the most important distinction is that the Medicaid program is an entitlement under federal law. This means that the program must serve all individuals who meet the program's eligibility rules. CICIP is not an entitlement program, and therefore the State can limit expenditures as necessary. Another important distinction is that, unlike the Medicaid program, CICIP is not an insurance plan with established benefits and a roster of beneficiaries.

Because of the similarity in the target population for CICIP and Medicaid, some individuals may be eligible for both programs. However, state law prohibits individuals eligible for Medicaid from being served by CICIP. Some of the significant differences in the eligibility requirements for the two programs include that, as an individual's age increases, the maximum income allowable under the Medicaid program decreases. Young children are eligible for Medicaid if their family's income is less than 133 percent of the federal poverty level (FPL); however, when a child turns six, the family income cannot exceed 100 percent FPL. Further, with the exception of elderly persons and persons with disabilities, for an adult to qualify for Medicaid, he or she must be a parent or guardian of a Medicaid-eligible child. Individuals who are not eligible for Medicaid may be eligible for CICIP. Thus, a high proportion of individuals served in CICIP are low income, single adults less than 65 years of age.

In order to determine what types of overlap might exist between the Medicaid program and CICIP, we examined a sample of CICIP charges to determine if participating providers were submitting charges to CICIP for individuals who were simultaneously enrolled in the Medicaid program. For our sample, we selected CICIP charges for services rendered in April 2000. Using social security numbers, we compared the list of individuals receiving



these CICIP services with Medicaid eligibility information for April 2000 maintained by HCPF.

We identified about 1,600 unique individuals who were enrolled in Medicaid on the same date they received services that were charged to CICIP. The total amount of CICIP charges for these individuals was about \$2.3 million, and we estimate that providers would have been reimbursed about \$554,800 on the basis of these charges. In almost half of these cases, the individual had been determined Medicaid-eligible at least three months prior to April 2000. In the remaining cases, Medicaid eligibility may have been pending in April 2000 and providers may have subsequently reversed the CICIP charges. However, HCPF has no effective way to determine whether such adjustments were made.

The State is in the process of developing the Colorado Benefits Management System (CBMS), which is intended to be an eligibility system for the Medicaid program and CICIP, as well as numerous public assistance programs such as Temporary Assistance for Needy Families, Food Stamps, and the Old Age Pension program. In the case of the two health care programs, CBMS will verify that an individual is not eligible for Medicaid prior to enrolling the person in CICIP. This should help ensure that individuals are enrolled in the correct program. CBMS was scheduled to be operational by July 2003; however, the Department reports that recent discussions indicate implementation may be delayed.

Some of the problems identified during our audit would presumably be addressed by CBMS in the future. However, we also found problems with retroactive adjustments that CBMS is not likely to address.

## **Reasons for Overlaps Between CICIP and Medicaid**

*Medicaid-eligibility screening.* Because about half of the overlaps occurred in cases in which individuals had been eligible for Medicaid for a number of months, this indicates that the providers are not effectively screening individuals for Medicaid prior to designating them as eligible for CICIP. This is concerning because providers receive better reimbursement under Medicaid and individuals receive better benefits and pay lower copayments. In addition, it is not in the State's best interest for Medicaid individuals to be served under CICIP, because the federal funds that are used to finance CICIP are limited. Further, the majority of Medicaid recipients are enrolled in some type of managed care program, which means that the State pays a monthly capitation payment for some or most of the services a Medicaid client receives. If the State is also paying for services for these individuals through CICIP, the State is, in effect, paying for the same service twice.

To address eligibility determination problems, HCPF should work to improve Medicaid screening during the CICIP eligibility determination process by emphasizing screening procedures during the eligibility training workshops for providers.

*Retroactive adjustments.* For the remaining cases in which Medicaid eligibility was determined three months prior to April 2000 or in April 2000, there are timing issues (e.g., 90-day retroactive Medicaid-eligibility for an individual) that could explain why a provider might submit CICIP charges for a client who is listed as Medicaid-eligible for the same time period. Our analysis did not cover a sufficient period of time to determine how many of the seemingly erroneous charges to CICIP might have been subsequently reversed by providers. However, we found that the Department lacks clear procedures and good information about whether or not providers are making retroactive adjustments when individuals initially classified as CICIP-eligible are later determined to be Medicaid-eligible. Under state law, only county departments of social services can determine Medicaid eligibility. Therefore, providers can only screen for Medicaid and must refer patients to the counties for a formal determination of Medicaid eligibility.

Similarly, a person may have a Medicaid application pending with the county when he or she needs services. In these cases, the provider cannot classify the person as Medicaid-eligible, regardless of how likely it may appear. However, providers can determine CICIP eligibility; and, therefore, if the person's Medicaid status is unclear and the individual meets CICIP requirements, the provider will classify the charge under CICIP. If a person is later determined by the county to be eligible for Medicaid, Medicaid will cover any services incurred up to 90 days prior to the date of eligibility determination. Therefore, the provider must then reclassify the CICIP charge as a Medicaid charge.

The Department depends on providers to reclassify these CICIP charges. As mentioned above, our analysis did not cover a sufficient period of time to allow us to assess whether or not these adjustments had taken place. However, we found that the CICIP manual does not give providers clear instructions on how adjustments should be reported. These procedures are documented in the section with the provider audit guidelines and not in any section that outlines procedures for providers themselves. The Department reports that it receives some letters from providers regarding refunds to CICIP based on later adjustments.

Without clear instructions to providers regarding how post-year-end adjustments should be tracked and reported, the Department lacks assurance that it receives all refunds due to CICIP or that these adjustments are handled appropriately. For example, the Department reports that one provider deletes a sufficient number of CICIP charges from the current fiscal year to offset the amount of retroactive Medicaid adjustments for prior

year CICIP clients. This may result in charging the correct net amount to CICIP. However, it means that utilization numbers for CICIP services may not be accurate and that the Department lacks knowledge of whether any adjustments were made.

(CDFFA Nos. 93.777, 93.778; Medicaid Cluster; Other.)

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### **Recommendation No. 31:**

The Department of Health Care Policy and Financing should follow up on the results of the data match performed by the Office of the State Auditor between the Colorado Indigent Care Program and the Medicaid program. HCPF should contact providers, as appropriate, that submitted CICIP claims for individuals who are eligible for Medicaid and request that providers report on how adjustments to CICIP charges have been made for these claims. It should seek reimbursement as appropriate.

### **Department of Health Care Policy and Financing Response:**

Partially agree. The Department notes that there is not evidence that a duplicate claim was filed with both the Medicaid program and CICIP. The Department does not plan to contact providers regarding the finding of the Office of the State Auditor, due to limitations of the sample size. However, the Department will work toward identifying the scope of the issue and will take steps to both clarify policy and, to the extent possible, eliminate or minimize the problem in the future. The Department will clarify language in the Fiscal Year 2002-2003 CICIP Manual that outlines procedures and policy in an attempt to minimize this problem in the future by July 1, 2002.

### ***Auditor's Addendum***

*Our audit identified instances of possible overpayments to CICIP providers for individuals that were eligible for Medicaid at the time CICIP services were rendered. The detailed results of our data match are being provided to HCPF. Addressing known problems is essential for program integrity, and in this case, can be accomplished by distributing information from the data match to the providers for their review and follow up.*

**Recommendation No. 32:**

The Department of Health Care Policy and Financing should ensure that applicants for the Colorado Indigent Care Program are screened for Medicaid eligibility in all appropriate instances by training providers on Medicaid eligibility screening procedures outlined in the CICIP manual.

**Department of Health Care Policy and Financing Response:**

Agree. The Department will strengthen the CICIP eligibility training and include further training on the Medicaid eligibility screening procedures that are already outlined in the CICIP manual. This material will be included in the CICIP eligibility training by July 1, 2002.

**Recommendation No. 33:**

The Department of Health Care Policy and Financing should ensure post-year-end retroactive adjustments are made to charges for the Colorado Indigent Care Program by developing and implementing procedures for providers to report these adjustments and related information to the program.

**Department of Health Care Policy and Financing Response:**

Agree. The Department has already taken steps to clarify the guidelines outlined in the current CICIP manual so all providers are aware of the procedures to report retroactive adjustments. These procedures will be included in the Fiscal Year 2002-2003 CICIP Manual. The Department will implement the procedures for making adjustment by October 31, 2002, so the information will be included with the final Fiscal Year 2001-2002 cost data submitted by CICIP providers.

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## Clarification of Policies on Charges to Be Submitted to CICIP

In Fiscal Year 2001, the Colorado Indigent Care Program paid participating providers about \$131.9 million as partial compensation for the cost of providing care to low-income individuals eligible for CICIP. Under CICIP, providers are placed into one of three categories (Component 1A, Outstate hospitals, and Outstate clinics), depending on the type of provider and the provider's Medicaid utilization rate. During the year there were 66 providers in the program, including 17 clinics in the Outstate clinic category, 40 hospitals in the Outstate hospital category, and 9 hospitals in the Component 1A category. In total, these providers submitted over \$382 million in CICIP charges. These charges are the primary basis upon which the Department determines payments to providers.

Our audit examined the Department's policies and procedures for making payments to CICIP providers. Our objectives were to determine if the Department's payments were calculated accurately and on an equitable and appropriate basis for all providers within each category (Outstate clinics, Outstate hospitals, and Component 1A hospitals). As mentioned, payments to CICIP providers are primarily made on the basis of CICIP charges and estimated costs; in Fiscal Year 2001 about \$89.3 million (68 percent) of the \$131.9 million in payments to CICIP providers were calculated on this basis. The remaining \$42.6 million was composed of \$21.2 million in additional payments under the Major Teaching Hospital program and \$21.4 million in bad debt payments. Because the majority of payments are based on CICIP costs derived from CICIP charges, and because the calculations required for these payments are more complex, our audit focused on the payments the Department calculates using CICIP charges.

In order to determine CICIP *costs*, the Department must compile information on CICIP *charges* and then, using a cost-to-charge ratio, calculate the estimated CICIP costs of those charges. Charges are those amounts that providers bill for the services they render to CICIP-eligible individuals. Because of the time it takes to compile CICIP charges from all providers at the end of the fiscal year, the Department calculates the current year's reimbursements on the basis of actual CICIP charges from two years prior. For example, the reimbursement payments for Fiscal Year 2002 are based on providers' CICIP charges submitted for Fiscal Year 2000 and the related estimated costs of those charges.

To calculate each provider's payment, total CICIP charges are first reduced by payments from third party payers (payments from other insurance plans, if the individual has other coverage) and the patient's liability (i.e., copayment) to arrive at write-off charges. Second, write-off charges are multiplied by a ratio based on total allowable Medicare

costs and charges (referred to as a provider's "cost-to-charge ratio") from the provider's most recent Medicare cost report; this calculation yields the provider's estimated cost of serving CICIP clients. Third, write-off costs are inflated two years ahead to compensate for the two-year time lag between the base year (the year in which the charges occurred) and the year for which reimbursements are being calculated. Lastly, the inflated estimated costs are multiplied by the reimbursement rate for the provider's category to arrive at the provider's projected payments for the fiscal year. For example, for Fiscal Year 2002 these rates are 28.8 percent for Outstate clinics, 28.8 percent for Outstate hospitals, and 85.3 percent for Component 1A hospitals.

In order to determine the accuracy of the projected amounts for provider payments for Fiscal Year 2002, we reviewed the charges submitted to the Department for Fiscal Year 2000 because, as stated above, these were the charges upon which the Fiscal Year 2002 reimbursements are based. Our audit tested a sample of 25 charges each from University Hospital and Denver Health to determine if the charges were for CICIP allowable services and provided to eligible individuals. In addition, we tested whether the information submitted to HCPF for the charges was consistent with the underlying data maintained by the provider. These two providers render the highest volume of services under CICIP and receive the highest dollar amount of payments. For example, in Fiscal Year 2001 payments to these two providers accounted for over 69 percent of all CICIP payments in Fiscal Year 2001 that were made on the basis of CICIP charges.

Out of the 25 Fiscal Year 2000 charges we examined for each of these providers, we found errors in 10 of the charges (40 percent) at Denver Health and 5 of the charges (20 percent) at University Hospital. Generally, the errors related to eligibility documentation and incorrect copayments. Since Fiscal Year 2000, Denver Health reports that it has improved its ability to locate eligibility documentation by implementing a new system that scans applications directly into the system. Additionally, Denver Health has instituted a quality review process to reduce errors related to copayments. The errors we identified at both providers were generally consistent with the results of the annual CICIP provider audits and indicate the need for the Department to have an effective audit process for CICIP.

## **Inconsistencies in Calculating Write-Off Charges**

The issue identified that was of greatest concern, however, and which was not identified during the annual provider audits, was that the two providers included different amounts in third party payments. Due to their different interpretations of what was allowable under state and federal laws and regulations, the two providers calculated third party payments differently and reported this information, along with CICIP charges, to the Department. This

caused a lack of consistency in how write-off charges were calculated for the providers, and, as a result, these providers' payments were calculated using inconsistent data.

The discrepancy stemmed from instances in which an individual was eligible for both Medicare and CICIP. Of the 25 charges tested at University Hospital, we identified 3 charges (12 percent) for which University Hospital did not include the Medicare contractual adjustment in third party payments when reporting CICIP charges to HCPF. The Medicare contractual adjustment is the difference between the hospital's normal charge for a service and the amount that the federal government has agreed under the Medicare program to pay for the service; in other words, the contractual adjustment is a discount on services that the provider agrees to furnish in order to participate in Medicare. Because the Medicare contractual adjustments were not included in third party payments, the Department did not subtract these adjustments from total charges when calculating write-off charges. In effect, University Hospital billed CICIP for the discount it is required to give when providing services under the Medicare program.

University Hospital stated that it has routinely charged the Medicare contractual adjustment to CICIP because it represents "uncompensated charges," and the State does not have a policy prohibiting this practice. However, under federal Medicare regulations, Medicare providers are not allowed to bill individuals or other programs, including CICIP, for the Medicare contractual adjustment. During our review of Denver Health charges, we found that Denver Health had included the Medicare contractual adjustment with third party payments, and thus, the contractual adjustment was not billed to CICIP. Denver Health stated that it was not its policy to bill CICIP for the Medicare contractual adjustment.

Upon request, University Hospital reported to us that its Fiscal Year 2000 CICIP charges included approximately \$6.7 million in Medicare contractual adjustments. Using the Department's method for calculating payments to Component 1A providers, we estimate that this translates into about \$2 million (9 percent) of University Hospital's total projected Fiscal Year 2002 reimbursement of \$21.7 million in Component 1A payments. As a result, there was \$2 million less available to pay other Component 1A providers, since all Component 1A providers are paid from a set pool of funds.

The inconsistencies in reporting contractual adjustments means that providers are not being reimbursed on an equitable basis. In this particular case, the inconsistency is particularly problematic because it results from the provider's lack of compliance with federal regulations. Therefore, we are recommending that the Department adjust University Hospital's Fiscal Year 2002 projected reimbursement to deduct the \$2 million derived from the Medicare contractual adjustments not subtracted from CICIP charges. In addition, HCPF should work with the Centers for Medicare and Medicaid Services, the federal

agency that oversees both of these programs, to determine additional actions that the Department might need to take with respect to prior year CICIP payments to University Hospital.

## **Formalization of Policies and Use of On-Site Audits**

The inconsistency in how the two largest CICIP providers handled contractual adjustments occurred for two reasons. First, the Department does not audit charges submitted to the program to the provider's supporting documentation. Hence, HCPF did not have sufficient means to identify this problem and address it. Currently the Department relies on audits performed by providers' external auditors to identify problems related to CICIP.

The second reason for this inconsistency is that the Department has not formalized policies regarding how contractual adjustments should be reported to the State to ensure that they are subtracted from total CICIP charges. More broadly, the CICIP manual does not define "charges." The manual should state that charges should be derived from the provider's billing system and that charges for CICIP services should be the same as those charged to other patients receiving the same service during the same period. Although we did not find instances in which providers were billing CICIP clients for charges on a basis different from that used for other patients, the problems identified with the contractual adjustments demonstrate the potential for inconsistencies in reporting—and, thus, the basis for reimbursement—when terms and requirements are not clearly defined.

Program staff report that it is the Department's intention that contractual adjustments be included in third party payments. However, this has only been communicated informally, which clearly is not sufficient. The Department should establish policies regarding CICIP charges and adjustments to charges and periodically perform on-site testing of charges for those providers that receive significant amounts of reimbursement under CICIP, or where other indications of risk exist. While it is reasonable for the Department to use the external audits as one tool to oversee the program, the audits are not a sufficient substitute for the Department itself testing the source data used to determine payments for CICIP.

(CDFA Nos. 93.777, 93.778; Medicaid Cluster; Other.)



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**Recommendation No. 34:**

The Department of Health Care Policy and Financing should reduce the projected Fiscal Year 2002 payment for University Hospital to reflect the provider's overbilling of the State related to the Medicare contractual adjustments of approximately \$6.7 million. HCPF should work with the Centers for Medicare and Medicaid Services to determine additional actions the State should take as a result of prior overpayments made with Medicaid Disproportionate Share Hospital funds to University Hospital due to Medicare contractual adjustments.

**Department of Health Care Policy and Financing  
Response:**

Agree. The Department has requested the necessary data from University Hospital so these adjustments can be made to the figures reported in the Fiscal Year 1999-2000 and Fiscal Year 2000-2001 annual reports and the corresponding projected Fiscal Year 2001-2002 reimbursement will be adjusted. Once this report has been published, the Department will contact the Centers for Medicare and Medicaid Services to determine any potential liability for the State. The Department expects this work to be finalized before July 1, 2002. The Fiscal Year 2002-2003 CICP Manual will further clarify that Medicare contractual adjustments cannot be billed to CICP.

**Recommendation No. 35:**

The Department of Health Care Policy and Financing should ensure charges submitted for the Colorado Indigent Care Program are consistent with the program's intent and reported on the same basis for all providers by:

- a. Developing formal policies regarding the basis for reported charges and how contractual adjustments and other adjustments should be treated.
- b. Performing periodic on-site testing of the validity of charges and related adjustments submitted to CICP on the basis of the amount of reimbursement a provider receives and other risk factors.

## **Department of Health Care Policy and Financing Response:**

Agree. The Department will formalize the policies regarding contractual adjustments and other adjustments in the Fiscal Year 2002-2003 CICIP Manual that will be issued by July 1, 2002. Currently the Department does not have the funding or the FTE available to perform periodic testing of the validity of charges and related adjustments submitted to CICIP. The Department will consider requesting additional resources to perform this function.

### ***Auditor's Addendum***

*If the decision ultimately is made to continue to reimburse CICIP providers primarily on the basis of CICIP costs derived from CICIP charges (see Recommendation No. 1 in the Colorado Indigent Care Program Performance Audit), the Department must implement controls to ensure the accuracy and appropriateness of those charges, including on-site audits performed on the basis of risk. Without these controls, requesting data on CICIP services from providers is not a meaningful requirement.*

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## **Documentation and Consistency of Reimbursement Methodology**

In addition to testing providers' CICIP charges, we reviewed prospective payment calculations for 39 of the 68 CICIP providers (57 percent) for Fiscal Year 2002. At the time of our review, these 39 providers were projected to receive almost \$83.3 million out of the projected total of \$86.7 million in Outstate and Component 1A payments for Fiscal Year 2002. Our sample included 8 Outstate clinics, 22 Outstate hospitals, and all 9 of the Component 1A hospitals.

From a technical viewpoint, we did not identify errors in the calculations of Fiscal Year 2002 payments. However, we identified inconsistencies in how HCPF calculated write-off costs for providers for Fiscal Year 2000. Because these cost data form the basis for calculating Fiscal Year 2002 payments, these inconsistencies have carried forward into current year payments. In addition, HCPF did not obtain documentation from providers to support critical information used in the Fiscal Year 2000 calculations; this could cause errors and lead to other inconsistencies' going undetected. These inconsistencies and lack

of documentation create concerns that provider reimbursements are not being calculated on an equitable basis within each provider category.

## **Inconsistencies and Lack of Supporting Documentation**

As mentioned in the previous section, the Department calculates provider payments by starting with each provider's charges for CICIP services and subtracting third party payments and patient liability or copayments. The resulting write-off charges are multiplied by a cost-to-charge ratio, which is the ratio of total facility costs to total facility charges.

By multiplying each provider's CICIP write-off charges by the provider's cost-to-charge ratio, the Department converts CICIP write-off *charges* to estimated CICIP write-off *costs*. This ensures that the provider's CICIP payments do not reflect any "profit" for the facility. Cost-to-charge ratios for individual facilities can vary widely; in Fiscal Year 2001, individual hospitals' ratios of their total facility costs compared with total facility charges ranged from 0.31 to 0.98. Clinics that are federally qualified health centers (FQHCs) are mandated under federal regulations to operate on a cost-to-charge ratio of 1:1. Most clinics in CICIP are FQHCs—in Fiscal Year 2001, all but 2 of the 17 participating clinics were FQHCs.

The Department determines providers' cost-to-charge ratios using data from federally required documents that each provider submits to the Department annually. By using standard data for the cost-to-charge ratio, the Department intends to ensure that all providers' costs, and therefore their reimbursements, are calculated on an equitable basis. Specifically, each hospital must submit designated information on total facility costs and total facility charges from its Medicare hospital cost report, along with supporting documentation from the report. Each clinic is required to submit information on total facility costs and total facility charges from its Uniform Data System Report, along with supporting documentation. On the annual CICIP provider application, the Department informs providers that a facility that wishes to submit anything other than these figures and documentation must submit a written explanation to the Department for approval.

In the course of our audit, we identified the following instances in which the Department either deviated from its stated method for calculating providers' cost-to-charge ratios without adequately documenting the rationale for these exceptions or did not acquire and maintain appropriate supporting documentation for the cost-to-charge ratio. This raises concerns about whether or not payments were calculated on an equitable basis.

- At the request of Denver Health and University Hospital, the Department used costs to calculate these facilities' cost-to-charge ratios that were different from, or in addition to, those required in the CICIP provider application. In both cases, the Department did not obtain documentation from the providers that fully substantiated the basis for using the information. HCPF staff indicate that since the providers asked for these changes, the changes probably had a favorable impact on the reimbursements for these providers. However, we found limited evidence that HCPF staff had analyzed the providers' requests. In other words, staff were not clear on the basis for the changes being requested; how the changes would impact the providers' cost-to-charge ratios, in comparison with the standard information requested in the application; and whether the changes were appropriate. In summary, there was no documentation in the files indicating the basis for the Department's decision to use the alternative information furnished by these providers to calculate their cost-to-charge ratios.

The Department states that in some cases it is appropriate to make adjustments to cost-to-charge ratios based on new information or unique circumstances. While we recognize that there may be instances in which deviations from the standard cost-to-charge methodology may be reasonable, the Department should clearly document the basis for its decision when exceptions are made.

- For hospitals that had observation beds costs, the Department included those costs in "total facility costs," although this is a deviation from HCPF's stated methodology in the provider application for calculating the cost-to-charge ratio. For the 25 hospitals in our sample with observation beds costs, including these costs had a positive impact on reimbursement because it increased their respective cost-to-charge ratios. The Department's reason for including these costs was not documented, and the Department did not notify providers that a change in policy had occurred.

For Fiscal Year 2000, HCPF's methodology was still to reconcile Outstate providers' estimated CICIP costs to actual CICIP costs once all data for Fiscal Year 2000 had been submitted. We estimate that the Outstate hospitals in our sample received a total of about \$67,000 more in Fiscal Year 2000 due to the inclusion of observation beds costs in their cost-to-charge ratios. This reduced the amount available to other Outstate providers, since providers are paid from a set pool of funds.

As of Fiscal Year 2002, Outstate providers, like Component 1A providers, will be reimbursed on a prospective basis, which means that no year-end reconciliation

will be performed between estimated and actual CICIP costs. Because the Fiscal Year 2000 data are being used as the basis for Fiscal Year 2002 payment calculations, this deviation from policy related to observation beds costs is also incorporated into current year payments. We estimated that the Outstate and Component 1A hospitals' projected payments for Fiscal Year 2002 increased about \$89,000 and \$87,000, respectively, as a result of this past decision.

Further, in one instance the Department did not include observation beds costs for an Outstate hospital that, in fact, had these costs. If the Department's intent was to include these costs, then this provider was underpaid \$2,200 in Fiscal Year 2000. This also translates into a projected underpayment of \$2,900 for this provider in Fiscal Year 2002.

- For one Outstate provider, the Department used the cost-to-charge ratio reported by the provider, although the provider had not furnished any documentation to support the reported figures. In another case, the Department used the provider's reported cost-to-charge ratio, although the supporting documentation did not agree with the stated ratio. We did not find evidence that the Department had followed up with either provider to resolve these issues.

Additionally, we noted that the Department relies on data from Medicare cost reports that have not yet been audited as the basis for the cost-to-charge ratios. The Department already has a contractual relationship with one of the Medicare intermediaries for the Medicare program in the State. The Medicare intermediary is responsible for auditing providers' Medicare cost reports. By expanding that contract or entering into an additional one, HCPF could obtain audited data for the cost-to-charge ratios and thus ensure greater reliability and consistency of these numbers as well as greater equity in calculating provider payments.

## **Formalization of the Reimbursement Process**

Overall, the Department needs to formalize its reimbursement process in order to demonstrate that it is treating providers equitably. Many of these issues could be addressed by the Department's formalizing its policies with respect to the reimbursement process and following through when documentation is lacking or inadequate. In addition, the Department's policies related to reimbursement calculations should be clearly stated and communicated to providers. Finally, HCPF should base cost-to-charge ratios for providers on audited data.

(CDFA Nos. 93.777, 93.778; Medicaid Cluster; Other.)

**Recommendation No. 36:**

The Department of Health Care Policy and Financing should develop and implement controls over the reimbursement process for the Colorado Indigent Care Program by:

- a. Applying the reimbursement methodology consistently to all providers within each CICP provider category and documenting the reasons for any exceptions from the standard methodology in the provider's file.
- b. Obtaining audited information on which to base providers' cost-to-charge ratios.
- c. Requiring in instances where audited information is not available that providers submit all necessary supporting documentation for calculating cost-to-charge ratios, reviewing this documentation for errors or problems and following up as appropriate, and maintaining all cost-to-charge ratio documentation in the provider's file.
- d. Informing providers about all policies and procedures related to determining provider reimbursements.

**Department of Health Care Policy and Finance  
Response:**

Agree. The Department will examine the current controls over the reimbursement process and implement new procedures as necessary. The Department will maintain more documentation regarding this information and provide more information to affected providers. The Department will consider creating a separate contract with an outside entity to provide consistent audited information on which to base providers' cost-to-charge ratios. The Department will implement the procedures for making adjustments by October 31, 2002, so the information will be included with the final Fiscal Year 2001-2002 cost data submitted by CICP providers.

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## **Ensuring Certified Expenditures Are Appropriate**

Our audit examined the Department's process for overseeing the certification of public expenditures by public hospitals in CICIP. During Fiscal Year 1998, the State began to use certified expenditures made by some of these facilities as the basis for drawing down federal funds in place of spending state general funds. In Fiscal Year 2001, Denver Health Medical Center (Denver Health) and the University of Colorado Hospital (University Hospital) together certified about \$165.9 million in expenditures to the State. In turn, on the basis of these certified amounts, the Department drew about \$83 million in federal funds, which the State then paid to these two providers.

Certification has significantly decreased the use of general funds for CICIP, thereby freeing up funds for other purposes. The Department is awaiting approval from the federal Centers for Medicare and Medicaid Services (CMS) for a new amendment to the State Plan that would extend the use of certification to 18 public hospitals in the Outstate hospital category. If approved, this will further decrease the use of state general funds for CICIP.

While the use of certified expenditures has obvious advantages for the State, it also presents some risks because the State is relying on information from other entities as the basis for drawing federal funds. Because the State is the entity actually drawing these funds—and the entity statutorily responsible for oversight of the Medicaid program for the State—the Department needs to ensure expenditures certified by other entities are appropriate. We reviewed the Department's procedures for certification and concluded that HCPF should implement reconciliations to ensure that certified expenditures, which are based on cost estimates, are supported by actual costs.

## **Comparison of Certified Expenditures to Actual Costs Incurred**

The Department notifies Denver Health and University Hospital at the beginning of the fiscal year of the amount of public expenditures each hospital will need to certify quarterly in order for the State to draw the necessary federal funds to make the projected payments for the year to these facilities. The Department also furnishes the wording that providers are to use in the letters sent to HCPF to document their quarterly certification of expenditures. The Department maintains a worksheet to track receipt of the letters and the amounts certified. Staff indicate that the purpose of the certification letters is to have the supporting documentation from the providers for the expenditures, since these expenditures

are the basis for the federal draws. The Department determines the amount of expenditures to be certified by Denver Health and by University Hospital annually on the basis of the projected payments each facility is to receive for the fiscal year.

To ensure that certified expenditures were not excessive, we compared the amounts certified by Denver Health and University Hospital for Fiscal Years 2000 and 2001 with actual CICIP write-off costs for those years. For Denver Health, we did not identify instances in which certified Component 1A costs were greater than actual write-off costs for either year. In the case of University Hospital, we did not identify problems with amounts certified for Component 1A payments for Fiscal Year 2000. However, in Fiscal Year 2001, University Hospital certified Component 1A costs that *exceeded* actual write-off costs by \$1.8 million. In other words, the certified amounts the Department used to draw down federal funds for University Hospital's Component 1A payments were greater than University Hospital's actual CICIP costs in Fiscal Year 2001. Under the Medicaid program, the federal government will reimburse half of qualifying expenditures or costs. This means that the Department's draw of about \$900,000 (50 percent of the \$1.8 million) in federal funds was based on estimated costs not supported by actual expenditures made by University Hospital.

HCPF staff state that the federal government has approved the Department's methodology for using estimated costs as the basis for calculating payments to Component 1A providers and is aware that the Department uses certification as the basis for drawing the federal funds used for paying Denver Health and University Hospital. Therefore, staff indicate that HCPF need not perform a reconciliation between estimated and actual costs and that, in fact, such a reconciliation is exactly what the prospective payment method was created to avoid. The prospective payment method was adopted because of the problems that performing year-end reconciliations caused with budgeting and the impact on other providers' payments, since all providers are paid from one pool of funds. Accordingly, HCPF staff do not believe it is necessary to ensure that certified expenditures do not exceed actual costs for a specific fiscal year. Additionally, staff point out that public providers have additional qualifying expenditures under the bad debt amendment to the State Plan, and any shortfall in certifiable expenditures under the Component 1A amendment could easily be made up by certifying additional bad debt costs.

Under federal regulations, federal reimbursements must be based on actual expenditures. Therefore, we believe that amounts certified as public expenditures based on estimates under Component 1A must be reconciled to actual costs as defined in the State Plan under that amendment to ensure that certified amounts are at least equal to actual expenditures. With respect to substituting bad debt costs for any shortfall in certifiable CICIP costs under the Component 1A amendment, this would require that the Department mix the sources



of certified expenditures between two different State Plan amendments. The Department should confirm with the federal Centers for Medicare and Medicaid Services that this is an acceptable remedy. In any case, without formally reconciling certified amounts based on estimated costs and actual costs for Component 1A, the Department could not be assured that it would identify shortfalls in actual costs.

## Receipt of Other Federal Funds

The Department should also ensure that public hospitals are aware that certified expenditures are used by the State as the basis for drawing federal funds, especially as HCPF asks more hospitals to certify their CICIP costs as public expenditures. In particular, providers need to be aware that federal regulations prohibit the same expenditure from being reimbursed under two different federal programs. In other words, the hospitals cannot certify expenditures to the State for CICIP that are reimbursed by other federal funds, either in whole or in part.

We found that the language provided by the Department and used by the hospitals to certify expenditures does not require that the hospital provide assurance that it did not receive any other federal funds as reimbursement for these expenditures. The Department should incorporate such language into the format given to providers for quarterly certification letters to avoid any misunderstanding and possible improper certification of expenditures.

(CDFFA Nos. 93.777, 93.778; Medicaid Cluster; Other.)

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## Recommendation No. 37:

The Department of Health Care Policy and Financing should improve controls over the certification process for the Colorado Indigent Care Program by:

- a. Formally documenting annual comparisons of certified public expenditures by each provider to the provider's actual CICIP write-off costs for each applicable fiscal year for Component 1A. Similar reconciliations should be done for any future State Plan amendments in which certification is based on estimated costs.
- b. Obtaining confirmation from the federal Centers for Medicare and Medicaid Services on whether shortfalls in certified expenditures under Component 1A may be offset by excess certifiable expenditures under a different amendment to the State Plan. If this

is not acceptable, the Department should make the necessary adjustments in federal draws to offset excess amounts received.

- c. Informing providers of the purpose of certification and that expenditures cannot be certified if they are reimbursed by other federal funds.
- d. Requiring that providers include an assurance in each quarterly certification letter stating that no federal funds were received as reimbursement for the certified expenditures, other than those through CICIP.

### **Department of Health Care Policy and Financing Response:**

Partially agree. The Department does not plan to formally document annual comparisons of certified public expenditures to each provider's actual write-off costs. The federally approved prospective payment system used by the Department is designed to be an estimate and is not intended to be reconciled to actual. Increases or decreases in actual costs will impact CICIP payments two years in the future. The Department will contact CMS regarding shortfalls from one State Plan amendment to another. The Department will inform providers that expenditures cannot be certified if they are reimbursed by other federal funds and require that providers include an assurance in the certification letters that no federal funds other than those from CICIP were received as reimbursement for the certified expenditures. The Department will implement policy clarifications by July 1, 2002.

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# Department of Higher Education

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## Introduction

The Department of Higher Education was established under Section 24-1-114, C.R.S., and includes all public higher education institutions in the State. It also includes the Auraria Higher Education Center, the Colorado Commission on Higher Education, the Colorado Council on the Arts, the Colorado Student Loan Division, the Colorado Student Obligation Bond Authority, the Colorado Historical Society, and the Division of Private Occupational Schools. Please refer to page 33 in the Financial Statement Findings section for additional background information.

## Board of Regents of the University of Colorado - University of Colorado

The University of Colorado was established on November 7, 1861, by an Act of the Territorial Government. Upon the admission of Colorado into the Union in 1876, the University was declared an institution of the State of Colorado, and the Board of Regents was established under the State Constitution as its governing authority.

The University consists of a central administration and four campuses: Boulder, Denver, Colorado Springs, and Health Sciences Center. These four campuses comprise 16 schools and colleges.

The following comments were prepared by the public accounting firm of Deloitte & Touche LLP, who performed audit work at the University of Colorado.

## Student Loan Reconciliation Procedures

The University of Colorado Health Sciences Center (HSC) campus utilizes a loan servicer to invoice, collect amounts due, and maintain individual student loan balances. When student loans are disbursed from the Office of Financial Aid, initial loan balances are posted to the HSC's Student Information System (SIS) within the general ledger. On a weekly basis the loan servicer receives a batch update from HSC that includes all new and updated student data included in SIS since the previous update. When the student goes

into repayment status, upon graduation or leaving school, the loan servicer will then invoice the student and collect the loan payments. All monthly transactions managed by the loan servicer are provided back to HSC and posted to the general ledger on a monthly basis. As of June 30, 2002, the loan servicer managed 4,368 loan accounts, approximating \$12.2 million, from current and former students.

Each term, the HSC Bursar's Office reconciles the records of graduating students to ensure that the manual student loan file, the student loan activity included in SIS, and the loan servicer information are complete and accurate. Our review of seven student loan files revealed that two manual student loan files did not agree with the information in SIS or the loan servicer's records. In one case, a student's loan balance maintained by the loan servicer was overstated by \$2,813, or 25 percent. This resulted in the student's being invoiced more than required by the loan agreement. In another case, the required signed promissory notes were not included in the manual student file maintained by HSC.

In May 2001 the management of the HSC Bursar's Office changed. The new Bursar identified many reconciling items and issues early in the management of his office. In addition, new student loans that were initiated during the Fiscal Years 2000 and 2001 were fully reconciled in February 2002. During this reconciliation, corrections were made to the information sent to the loan servicer and to the general ledger. We reviewed HSC's monthly reconciliations between the loan servicer's records and the general ledger and noted many items remaining on the reconciliations that were greater than six months old.

While informal controls have been established, they need to be strengthened and documented. Controls are more likely to be consistently and appropriately applied when they are formalized into written policies and procedures, clearly communicated to staff, and periodically reviewed to ensure they are being followed. This will provide assurance that student loan information maintained at both HSC and the loan servicer is complete and accurate.

(CFDA Nos. 84.038, 84.268, 93.342, 93.364; Federal Perkins Loan Program, Federal Direct Student Loans, Health Professions Student Loans, Nursing Student Loans; Other.)

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### **Recommendation No. 38:**

The University of Colorado Health Sciences Center (HSC) should strengthen controls over the student reconciliation process. Specifically:

- a. Controls should be formalized into written policies and procedures, and should be clearly communicated to the HSC Bursar's Office staff.
- b. Controls should be periodically reviewed to ensure they are being followed consistently and appropriately.
- c. The HSC Office of the Bursar should work to clear outstanding reconciling items between the Student Information System, the loan servicer, and the general ledger on a timelier basis.

### **University of Colorado Health Sciences Center Response:**

Agree. The University of Colorado Health Sciences Center (HSC) plans to continue to enhance the management of the student loan process. Specifically, the HSC Bursar's Office has begun a formal reconciliation between the Student Information System and the loan servicer on a monthly basis and will formalize written policies and procedures for the student loan reconciliation process by December 31, 2002. In addition, the HSC Bursar's Office will reconcile every loan balance on the loan servicer's system by December 31, 2002. It should also be noted that the loan balance for the one student with a 25 percent overstated loan balance has been adjusted to the correct balance. Based on our review to date, no student has ever overpaid his or her loan balance as a result of this problem.

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## **State Board of Agriculture**

The State Board of Agriculture has control and supervision of three distinct institutions: Colorado State University, a land-grant university; Fort Lewis College, a liberal arts college; and the University of Southern Colorado, a regional university with a polytechnic emphasis. Effective September 1, 2002, Fort Lewis College will no longer be part of the Colorado State University System.

The Board administers the State Board of Agriculture Fund located in the State Treasury. The Board is authorized to fix tuition, pay expenses, and hire officials. The chief academic and administrative officers are the chancellor of the Colorado State University System and the president of each institution.

## Colorado State University

Colorado State University was originally created in 1870 as the Agricultural College of Colorado. In 1876 when Colorado became a state, it was placed under the governance of the State Board of Agriculture, and began admitting students in 1879. It was also designated that year as Colorado's land-grant college and recipient of federal endowment support under the Morrill Act of 1862. Subsequent federal legislation led to the establishment of the Agricultural Experiment Station and the Cooperative Extension Service of the University. State legislation also made the University responsible for the Colorado State Forest Service. Following several name changes, the College became Colorado State University in 1957.

The following was prepared by the public accounting firm of Clifton Gunderson, LLP, who performed audit work at Colorado State University.

### Fire Management Assistance Grant

During Fiscal Year 2002 the Federal Emergency Management Agency (FEMA) awarded a \$20 million grant through the Colorado Office of Emergency Management (OEM) to Colorado State University (Colorado State Forest Service) for aiding fire-fighting efforts across the State. The costs related to the Fire Management Assistance Grant were incurred primarily during May, June, and July 2002 at 14 general locations. Subsequently, FEMA issued 14 direct grant awards to the Colorado State Forest Service in July 2002 to replace the original grant awarded through the Colorado Office of Emergency Management. Accordingly, the original pass-through grant from FEMA of \$20 million was eliminated in September 2002. The University recorded \$16.8 million of expenses in its accounting records for costs incurred through June 30, 2002. Of the \$16.8 million of expenses, the Colorado State Forest Service drew down \$12.8 million after June 30, 2002, which represents only a portion of the total costs considered reimbursable from FEMA.

The University is responsible for complying with applicable federal laws, rules, and regulations for federal funds received under the FEMA grant. Because this grant met the requirements for audit under the Office of Management and Budget (OMB) Circular A-133 during Fiscal Year 2002, we attempted to determine the University's compliance with federal requirements. We encountered several problems and limitations to performing the necessary compliance testing for the grant for Fiscal Year 2002:

- Allowability of Costs: The June 30, 2002, accrual of \$12.8 million in reimbursable expenditures was based on estimates developed by the Colorado State Forest Service in conjunction with FEMA. As of November 7, 2002, the University had

received about \$5 million of actual billings from local governments and other entities, which is about 40 percent of the reimbursable amount. Therefore, documentation supporting a significant amount of the reimbursable expenditures (60 percent) was not available for testing at the completion of our audit. The Colorado State Forest Service stated that it does not expect to receive all the remaining billings for another two to three months, or possibly longer.

- **Cash Management:** The University did not receive any advances of federal funds during State Fiscal Year 2002. FEMA did advance the University \$12.8 million during Fiscal Year 2003. In addition, the Colorado State Forest Service must substantiate the \$12.8 million of expenses before receiving any additional funding it may be eligible for under the grants. Thus, we could not test cash management controls during the year under audit and would need to test such controls during the following fiscal year (Fiscal Year 2003).
- **Reporting Requirements:** The performance periods for the grants end between January and May 2003. The performance periods could be extended another three months if needed. The University must then file Financial Status reports reflecting all costs incurred during the incidence periods and all administrative costs incurred during the performance periods. Consequently, these reports will likely not be available for testing until June 2003, which is near the end of the State Fiscal Year 2003.

Because of the above limitations, we were unable to adequately test the primary compliance requirements for the grants during our Fiscal Year 2002 audit. Therefore, we will test compliance for both State Fiscal Years 2002 and 2003 during the Fiscal Year 2003 audit.

(CFDA No. 83.556; Fire Management Assistance Grant; Allowability of Costs, Cash Management, Reporting Requirements.)

No recommendation is made in this area.

## **University of Southern Colorado**

The University of Southern Colorado was incorporated in 1935. On July 1, 1975, the State Legislature granted the institution university status. Three years later, the Colorado State Board of Agriculture assumed governance of the University. The University of Southern Colorado is accredited at the bachelor's and master's levels, with special emphasis on polytechnic education. Effective July 1, 2003, the University of Southern Colorado will become Colorado State University - Pueblo. The institution's role and

mission will change from that of a “general baccalaureate and polytechnic institution” to being a “regional, comprehensive university.”

The following comment was prepared by the public accounting firm of Grant Thornton, LLP, who performed audit work at the University of Southern Colorado.

## **Federal Perkins Loan Program**

Federal Perkins loans are available to certain students meeting eligibility requirements established by the United States Department of Education. The loan program is partially funded by the federal Department of Education. The Department of Education requires certain procedures to be followed by all institutions accepting Federal Perkins Loan Program funds including, but not limited to, (1) maintaining certain documentation in individual files for each borrower, (2) managing a revolving loan fund for the Program that includes the collection of loan payments, and (3) submitting data on borrowers to the National Student Loan Data System on a timely basis. If these procedures are not followed, the University risks losing these federal funds to support student attendance.

Our audit included testing the University’s compliance with the Perkins Loan Program requirements. We noted the following areas for improvement:

- Borrowers under the Federal Perkins Loan Program may be eligible for loan deferments or cancellations under certain circumstances as outlined in the Federal Perkins Loan Program guidelines. Our audit procedures included testing 10 borrowers who had their loans deferred or canceled during the fiscal year ended June 30, 2002. The tests determined whether appropriate documentation existed in the student loan files regarding the deferment or cancellation. For 3 out of 10 borrowers who had their loans deferred or canceled, the University obtained signed statements from borrowers indicating financial hardship. However, the students' files did not contain adequate documentation supporting the financial hardship as required by University policies and procedures and federal guidelines.
- Loans under the Federal Perkins Loan Program, including accrued interest, are repayable in equal or graduated periodic installments in amounts calculated on a 10-year repayment period. The lending institution is required to establish a repayment plan for the borrower in accordance with federal guidelines. Our audit procedures included testing the timely conversion of a student loan to repayment status for 10 students who withdrew from the University or dropped below half-time status during the year. For 10 out of 10 students, the University’s system incorrectly calculated the date that the student loan was placed into repayment status. Federal guidelines require a loan to be converted to repayment status nine



months after a student ceases to be at least a half-time student. The University's system automatically calculates the date the loan converts to repayment status as the 15<sup>th</sup> day of the month following the date the student actually withdraws or becomes less than a half-time student rather than on the nine-month anniversary date. As a result, the date that a loan converts to repayment status in the system may be anywhere from 1 day to 30 days late. Accordingly, the University is not charging interest for the interim period between the withdrawal date and the system's calculated repayment date.

- When a student withdraws from the University, he or she is required to notify the University's Admissions Department, Student Financial Aid Department, and Records Department by providing each department with a copy of a signed withdrawal form. When the Records Department receives the withdrawal form, the Department is required to transmit withdrawal information to the National Student Loan Data System in order to ensure that the student's loan database information is current for use by lenders and other universities. Our audit procedures included testing 10 students who withdrew from the University during the year to determine that withdrawal information was appropriately transmitted to the National Student Loan Data System. For 1 of 10 students, withdrawal information was not transmitted to the National Student Loan Data System, resulting in an incorrect student status within the national database.

(CFDA No. 84.038; Federal Perkins Loan Program; Special Tests and Provisions.)

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### **Recommendation No. 39:**

The University of Southern Colorado should for the Federal Perkins Loan Program:

- a. Strengthen procedures to ensure that adequate documentation is obtained from borrowers to support financial hardship for deferment or cancellation of student loans.
- b. Modify its loan collection program to ensure that the calculation of the date a student loan enters repayment status is in accordance with federal guidelines.
- c. Strengthen procedures to ensure that student withdrawal information is reported to the National Student Loan Data System for all students.

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## **University of Southern Colorado Response:**

Agree. The University of Southern Colorado has made significant improvements in the management of the Federal Perkins Loan Program in the past fiscal year, and further improvements are planned:

- a. A supervisor will review and approve on all documentation from borrowers requesting a financial hardship deferment of their Federal Perkins Loan. To be implemented November 2002.
- b. This is a function of the software used to manage the Perkins program. We will review federal requirements applicable to the Perkins Loan Program. To be implemented March 2003.
- c. The University will work to strengthen the process with other University departments to ensure all student withdrawals are transmitted to the National Student Loan Data System. To be implemented January 2003.

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## **State Board for Colorado Community Colleges and Occupational Education**

The State Board for Community Colleges and Occupational Education (SBCCOE or the Board) was established by the Community College and Occupational Education Act of 1967, or Article 23-60, C.R.S. The Board functions as a separate entity and, as such, may hold money, land, or other property for any educational institution under its jurisdiction. The statute assigns responsibility and authority to the Board for three major functions:

- The Board is the governing board of the state system of community and technical colleges.
- The Board administers the occupational education programs of the State at both secondary and post-secondary levels.
- The Board administers the State's program of appropriations to local district colleges and area vocational schools.

The Board consists of nine members appointed by the Governor to four-year staggered terms of service. The statute requires that Board members be selected to represent certain economic, political, and geographical constituencies.

The thirteen colleges in the community college system are as follows:

<b>College</b>	<b>Main Campus Location</b>
Arapahoe Community College	Littleton
Community College of Aurora	Aurora
Community College of Denver	Denver
Colorado Northwestern Community College	Rangely
Front Range Community College	Westminster
Lamar Community College	Lamar
Morgan Community College	Fort Morgan
Northeastern Junior College	Sterling
Otero Junior College	La Junta
Pikes Peak Community College	Colorado Springs
Pueblo Community College	Pueblo
Red Rocks Community College	Lakewood
Trinidad State Junior College	Trinidad

The following comments were prepared by the public accounting firm of KPMG LLP, who performed audit work at the Colorado Community College System.

## **Student Financial Assistance**

We performed procedures on Student Financial Assistance (SFA) required by the Office of Management and Budget (OMB) Circular A-133 and the Compliance Supplement for Student Financial Aid. We also performed procedures as required by the *Colorado Handbook for State-Funded Student Financial Assistance Programs*, issued by the

Colorado Commission on Higher Education (CCHE), 2002 revision. The 13 findings and recommendations below result from this work and are presented in the format required under OMB Circular A-133 and *Government Auditing Standards*.

## **Student Financial Assistance Professional Judgments**

A financial aid administrator (FAA) may use professional judgment, based on adequate documentation and on a case-by-case basis, to either increase or decrease one or more of the data elements used to calculate an estimated family contribution (EFC) or to adjust a student's cost of attendance (COA). The reason must be documented in the student's file, and it must relate to that student's special circumstances that differentiate the individual student (not to conditions that exist for a whole class of students). A school must maintain records for each SFA recipient that include, but are not limited to, documentation of all professional judgment decisions. Moreover, a school's recordkeeping procedures should allow for establishing and maintaining a clear audit trail. A clear audit trail is defined as maintaining required documentation that supports each transaction involving receiving or expending federal funds. *2001 - 2002 United States Department of Education Application and Verification Guide; 2001 - 2002 United States Department of Education Student Financial Aid Handbook, Volume 2: Institutional Eligibility and Participation, Chapter 8: Recordkeeping and Disclosure; June 2001 United States Department of Education Blue Book, Chapter 2: General Institutional Responsibilities.*)

Adequate procedures are not in place at Pikes Peak Community College (PPCC) to ensure that professional judgments are made in accordance with the supporting documentation provided by the student. In a sample of 30 students (8 from PPCC), 2 of the PPCC students selected had inadequately documented professional judgments that changed their EFC. The changes were not supported by the documentation provided. The students were awarded SFA based on the newly calculated EFCs. Upon presentation of this situation to the Registrar/Director of Enrollment Services, who concurred that the documentation did not support the changes made, the professional judgments were redone, resulting in new EFCs. The resulting Pell awards were \$2,250 less than the originally paid Pell awards. The original Pell over-awards were replaced by state aid, leaving the students with the same total aid packages. The effect of the finding is that PPCC may make professional judgments that are not based on the supporting documentation, which, if not detected and corrected, could result in SFA awards being made to ineligible students or at improper award levels.

This finding resulted in questioned costs of \$2,250. These charges were originally made to the federal Pell program and then subsequently credited to the federal Pell program, being covered by institutional funds, following discovery during the audit.

(CFDA No. 84.063; Federal Pell Grant Program; Eligibility.)

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### **Recommendation No. 40:**

Pikes Peak Community College should establish procedures to ensure that professional judgments are clearly based on the supporting documentation received from the students and that the professional judgments are adequately documented, providing a clear audit trail.

### **Pikes Peak Community College Response:**

Agree. Pikes Peak Community College agrees and will provide focused training for all financial aid officers to reinforce the need for a clear audit trail by June 2003.

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## **Federal Direct Loans**

Front Range Community College (FRCC) does not have adequate procedures in place to ensure that spring graduate Federal Direct Loan borrowers receive written exit counseling materials in a timely manner. Front Range Community College and Trinidad State Junior College (TSJC) do not have adequate procedures to ensure that exit counseling is provided to borrowers who cease at least half-time attendance.

In a sample of 30 students (7 from FRCC and 3 from TSJC), there was one FRCC student who separated from the College by graduating in May for whom the College did not have documentation substantiating the student's compliance with exit counseling regulations. At FRCC, exit counseling materials are mailed at the end of summer term to spring and summer graduates. Therefore, the school did not advise this student, or any of its other spring graduate borrowers, to complete exit counseling shortly before graduating, and exit counseling materials were not mailed to this student, or any of the other spring graduate borrowers, within 30 days of graduation, as required by the regulations. In addition, TSJC and FRCC do not monitor borrowers who cease at least half-time attendance; therefore, these borrowers do not receive exit counseling unless they graduate. Exit counseling is not being provided timely to spring graduate Federal Direct Loan

borrowers at FRCC. Exit counseling is not being provided to Stafford Loan borrowers at FRCC and TSJC who cease at least half-time attendance.

A school should advise its Stafford Loan borrowers to sign up for an exit counseling session or complete online exit counseling before the student borrower ceases at least half-time attendance or graduates. If the student fails to complete the exit counseling as required, the school must provide exit counseling either through interactive electronic means or by mailing written exit counseling materials to the student borrower within 30 days after the school learns that the student borrower has withdrawn from school or failed to complete exit counseling as required. A school must maintain documentation substantiating their compliance with exit counseling for each student borrower. (*34 CFR 682.604 - FFEL; 34 CFR 685.304 - FDL.*)

(CFDA Nos. 84.032 and 84.268; Federal Family Education Loans and Federal Direct Student Loans; Special Tests.)

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### **Recommendation No. 41:**

Front Range Community College should establish procedures to ensure that all graduating Federal Direct Loan borrowers who do not complete exit counseling before graduating receive written exit counseling materials within 30 days following their graduation. Front Range Community College and Trinidad State Junior College should establish procedures to ensure that exit counseling is provided to borrowers who cease at least half-time attendance.

### **Front Range Community College and Trinidad State Junior College Response:**

Agree. Front Range Community College and Trinidad State Junior College agree and will implement the necessary changes no later than June 30, 2003.

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### **Determination of Withdrawal Date**

A school is required to determine the withdrawal date for a student who withdraws without providing notification by 30 days after the end of the term from which the student withdrew. Further, the school must return its portion of unearned Title IV funds by no later than 30 days after the date the school determined the student withdrew. (*34 CFR 668.22.*)

Adequate procedures are not in place at Trinidad State Junior College (TSJC) to ensure that the withdrawal date of students who withdraw without providing notification is determined within 30 days after the end of the term. In a sample of 30 students (3 from TSJC), there was a TSJC student who unofficially withdrew in the fall 2001 semester, but the withdrawal date was not determined until April 15, 2002. The return of unearned funds was then made on April 16, 2002. The latest date by which this student's withdrawal date should have been determined was January 12, 2002, and the return of unearned Title IV funds should have been made by February 11, 2002.

Withdrawal dates for students who unofficially withdraw from TSJC are not being determined timely. This in turn has caused TSJC to return its portion of unearned Title IV funds, in our sample totaling \$500, beyond the time frame established by the regulations.

(CFDA No. 84.063; Federal Pell Grant Program; Special Tests.)

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### **Recommendation No. 42:**

Trinidad State Junior College should establish procedures to ensure that the withdrawal dates of students who withdraw without providing notification are determined at the latest within 30 days after the end of the term.

### **Trinidad State Junior College Response:**

Agree. Trinidad State Junior College agrees and will implement by June 2003.

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### **Return of Title IV Funds - Withdrawals**

Adequate procedures are not in place at Front Range Community College (FRCC) to ensure that returns are made within 30 days after the date the school determined the student withdrew. A school is required to return unearned Title IV funds no later than 30 days after the date the school determined the student withdrew (*34 CFR 668.22.*)

In a sample of 30 students (7 from FRCC), there were 2 FRCC students for whom returns of Title IV funds were made after the 30-day time period allowed. One return was made 40 days late (or 70 days after the school determined the student had withdrawn) and one return was made 60 days late (or 90 days after the school determined the student had withdrawn). As a result, FRCC returned \$1,168 late and was not compliant with

applicable regulations. FRCC has returned its portion of unearned Title IV funds beyond the time frame established by the regulations.

(CFDA Nos. 84.007, Federal Supplemental Educational Opportunity Grants; 84.033, Federal Work Study Program; 84.063, Federal Pell Grant Program; Special Tests.)

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### **Recommendation No. 43:**

Front Range Community College should establish procedures to ensure that the institution's portion of a student's unearned Title IV funds are returned within 30 days after the school has determined a student has withdrawn.

### **Front Range Community College Response:**

Agree. Front Range Community College agrees and will implement the necessary changes no later than June 30, 2003.

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## **Overpayments**

If a student owes a grant overpayment as a result of a withdrawal, the student is not required to repay the grant overpayment if the initial amount of the grant overpayment, before the 50 percent grant return reduction afforded to students, is less than \$25. (*2001 - 2002 United States Department of Education Student Financial Aid Handbook, Volume 2: Institutional Eligibility and Participation, Chapter 6: Return of Title IV Funds*)

Adequate procedures are not in place at Front Range Community College- Westminster (FRCC-W) to ensure that grant overpayments less than \$25 after the 50 percent reduction, but greater than or equal to \$25 before the 50 percent reduction, are requested to be repaid by the student. In a sample of 30 students (4 selected specifically from FRCC-W), one of the FRCC students owed a grant overpayment that was \$25 before the 50 percent reduction, but the College did not request the student to make the return.

FRCC-W did not request the student to repay a required grant overpayment until we questioned costs of \$12.50. The College subsequently requested the student repay these funds, which the student has done.



(CFDA Nos. 84.007, Federal Supplemental Educational Opportunity Grants; 84.033, Federal Work Study Program; 84.063, Federal Pell Grant Program; Special Tests.)

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### **Recommendation No. 44:**

Front Range Community College - Westminster should establish procedures to ensure students are requested to repay required grant overpayments.

#### **Front Range Community College - Westminster Response:**

Agree. Front Range Community College - Westminster agrees and will implement the necessary changes no later than June 30, 2003.

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### **Return of Title IV Funds Calculation - School Portion**

If a recipient of Student Financial Aid (SFA) grant or loan funds withdraws from a school after beginning attendance, the amount of SFA grant or loan assistance earned by the student must be determined by calculating a Return of Title IV Funds. If the amount disbursed to the student is greater than the amount the student earned, unearned funds must be returned. The school must return the lesser of (1) the amount of Title IV funds that the student does not earn or (2) the amount of institutional charges that the student incurred for the payment period or period of enrollment multiplied by the percentage of funds that was not earned. If the school returns amount (2), then the student must return the difference between the amount of unearned Title IV funds and amount (2). (*34 CFR 668.22.*)

Adequate procedures are not in place at the Community College of Denver (CCD) to properly calculate Return of Title IV Funds and to make the returns. In a sample of 30 students (6 from CCD), 6 CCD Return of Title IV Funds calculations were performed incorrectly and the resulting returns of unearned aid were not made by the school. Additionally, the school requested the students to return \$1,628 more than they were required to return. In summary, the College erroneously calculated the percentage of Title IV funds unearned by the students, improperly excluded spring break, did not make the actual returns, and requested the students to return more than required. CCD's Return of Title IV Funds calculations were incorrect; the amounts they requested the students to return were all higher than they should have been; and the school did not return its portion of the unearned aid.

The finding resulted in questioned costs of \$2,278 not returned. Likely questioned costs exceed \$10,000 based on indications made by the financial aid director that no returns were likely made for the entire award year.

(CFDA Nos. 84.007, Federal Supplemental Educational Opportunity Grants; 84.033, Federal Work Study Program; 84.063, Federal Pell Grant Program; Special Tests.)

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### **Recommendation No. 45:**

Community College of Denver should establish procedures to ensure that Return of Title IV Funds calculations are made properly and to ensure that the school's portion of the unearned aid is returned. This should include a review of all Title IV Funds calculations during the period in question. Errors should be corrected and appropriate action taken.

### **Community College of Denver Response:**

Agree. Community College of Denver agrees and will implement by June 2003.

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## **Return of Title IV Funds Calculation - Institutional Charges**

In a Return of Title IV Funds calculation, the school must return the lesser of (1) the amount of Title IV funds that the student does not earn or (2) the amount of institutional charges that the student incurred for the payment period or period of enrollment multiplied by the percentage of funds that was not earned. Institutional charges are tuition, fees, and other education-related expenses assessed by the institution. (*34 CFR 668.22.*)

Adequate procedures are not in place at Front Range Community College (FRCC) to ensure that the proper institutional charges are used. In a sample of 30 students (7 from FRCC), seven institutional charges that are components of the Return of Title IV Funds calculations were based on student budgets rather than on charges that were initially assessed to the student for the payment period or period of enrollment at FRCC.

The calculated amounts of Title IV funds to be returned by FRCC and its students were affected by this improper use of student budgets instead of charges actually assessed the student for the institutional charges portion of the Return of Title IV Funds calculations. The College returned \$393 more than required and the students returned less than required, with the net effect being an overreturn. There are no questioned costs, because FRCC

returned \$393 more than was required to the Title IV programs, due to the use of incorrect institutional charges in the calculations.

(CFDA Nos. 84.007, Federal Supplemental Educational Opportunity Grants; 84.033, Federal Work Study Program; 84.063, Federal Pell Grant Program; Special Tests.)

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### **Recommendation No. 46:**

Front Range Community College should establish procedures to ensure that the proper institutional charges are used in the Return of Title IV Funds calculations.

#### **Front Range Community College Response:**

Agree. Front Range Community College agrees and will implement the necessary changes no later than June 30, 2003.

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### **Return of Title IV Funds Calculation - Spring Break Exclusion**

Institutionally scheduled school day breaks of five or more consecutive days are excluded from the total number of calendar days in the term in Return of Title IV Funds calculations and therefore do not affect the calculation of the amount of Title IV aid earned. This provides for more equitable treatment of students who withdraw near each end of a scheduled break. All days between the last scheduled day of classes before a scheduled break and the first day classes resume are excluded from both the numerator and denominator in calculating the percentage of the term completed. (*34 CFR 668.22; 2001 - 2002 United States Department of Education Student Financial Aid Handbook, Volume 2: Institutional Eligibility and Participation, Chapter 6: Return of Title IV Funds*)

Adequate procedures are not in place at Community College of Denver (CCD), Pikes Peak Community College (PPCC), Pueblo Community College (PCC), and Front Range Community College - Larimer (FRCC-L) to ensure that spring break, an institutionally scheduled school day break of five or more consecutive days, is properly excluded from the Return of Title IV Funds calculations. In a sample of 30 students (23 from CCD, PPCC, PCC, and FRCC-L), there were 3 CCD students, 2 PPCC students, 1 PCC student, and 1 FRCC student for whom spring break was improperly excluded, which affected the Return of Title IV Funds calculation.

CCD, PPCC, PCC, and FRCC-L improperly excluded spring break in their Return of Title IV Funds calculations, causing \$1,266 more to be returned to the Title IV programs than was required. There are no questioned costs, because PPCC, PCC, and FRCC-L returned more than was required to the Title IV programs, since they had more days in the spring term than they should have had in their Return of Title IV Funds calculations. CCD did not return any of its portion of unearned Title IV funds.

(CFDA Nos. 84.007, Federal Supplemental Educational Opportunity Grants; 84.033, Federal Work Study Program; 84.063, Federal Pell Grant Program; Special Tests.)

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### **Recommendation No. 47:**

Community College of Denver, Pikes Peak Community College, Pueblo Community College, and Front Range Community College - Larimer should establish procedures to ensure that Spring Break is properly excluded from the Return of Title IV Funds calculations.

#### **Community College of Denver Response:**

Agree. Community College of Denver agrees and will implement by June 2003.

#### **Pikes Peak Community College Response:**

Agree. Pikes Peak Community College agrees with the recommendation and will require that a second level review for Spring Break calculations is made to ensure funds in excess of that required by the calculations are not returned to the Title IV programs by June 2003.

#### **Pueblo Community College Response:**

Agree. Pueblo Community College agrees with the recommendation and will implement necessary changes no later than June 30, 2003.

#### **Front Range Community College - Larimer Response:**

Agree. Front Range Community College - Larimer agrees and will implement the necessary changes no later than June 30, 2003.

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## Eligibility Certification Approval Report

The Eligibility Certification Approval Report (ECAR) must be kept available for review by auditors. The ECAR contains the most critical data elements that form the basis of the school's approval for participating in the Student Financial Aid (SFA) programs, such as the SFA programs the school is eligible to participate in, the highest level of programs offered, any non-degree programs or short-term programs, and any additional locations that have been approved for the SFA programs. *(2001 - 2002 United States Department of Education Student Financial Aid Handbook, Volume 2: Institutional Eligibility and Participation, Chapter 10: Applying for and Maintaining Participation; June 2001 United States Department of Education Blue Book, Chapter 2: General Institutional Responsibilities.)*

Adequate procedures are not in place at Pikes Peak Community College (PPCC) to ensure that the ECAR is kept available for review by auditors. PPCC could not provide its ECAR for Fiscal Year 2002, because it had been misplaced. PPCC is noncompliant with recordkeeping requirements regarding its ECAR, and we were unable to observe some of the most critical data elements that form the basis of the school's approval for participation in the SFA programs as shown on the ECAR.

(CFDA Nos. 84.007, Federal Supplemental Educational Opportunity Grants; 84.033, Federal Work Study Program; 84.063, Federal Pell Grant Program; Special Tests.)

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### Recommendation No. 48:

Pikes Peak Community College should establish procedures to ensure that the Eligibility Certification Approval Report is kept available for review by auditors.

### Pikes Peak Community College Response:

Agree. Pikes Peak Community College agrees and will take steps to ensure the Eligibility Certification Approval Report is kept available for review in the future. Implementation date: June 2003.

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## Award Packaging

The U.S. Department of Education (ED) and the Colorado Commission on Higher Education (CCHE) prescribe a broad range of responsibilities that schools participating in the Title IV Student Financial Assistance programs and the state-funded student assistance programs, respectively, must meet. These responsibilities cover such areas as institutional fiscal operations and network of responsibilities; institutional eligibility; financial responsibility; administrative capability (including separation of functions); and other areas such as consumer information, institutional policies and procedures, program evaluation, return of Title IV funds, record maintenance, and disclosure of student information. The ED also requires schools to be administratively capable. (*June 2001 United States Department of Education Blue Book, Chapter 2: General Institutional Responsibilities; 6/17/02 Colorado Commission on Higher Education, Appendix A Guidelines.*)

In conducting our audit, we noted that Trinidad State Junior College (TSJC) had a small financial aid staff of two people, and awards financial aid manually to each student rather than using the available automated packaging programs that the other Colorado Community College System (CCCS) schools use. We also noted several areas highlighted in the completed CCHE Financial Aid Questionnaire that could be improved upon.

The manual awarding process does not appear efficient, given TSJC's limited financial aid staff size. In addition, the areas highlighted may make it difficult for the College to meet the required responsibilities of schools that participate in the Title IV and state-funded programs and may make it difficult to maintain optimum segregation of duties and administrative oversight. Some of the common responsibilities assigned to a financial aid office are to (1) develop written policies and procedures on the way the school administers Title IV and state-funded programs (2) adhere to the principle of separation of functions and (3) keep current on changes in laws and regulations to ensure that the school remains in compliance. Schools should also evaluate the way they administer Title IV and state-funded programs on a regular basis by evaluating and analyzing existing procedures, practices, and policies to determine where improvements are needed. This is a priority area of the ED and should also be a priority for financial aid administrators and school business officers. Some components of administrative capability include (1) administering Title IV programs according to all Title IV requirements (2) using an adequate number of qualified persons to administer Title IV programs in which the school participates (3) administering Title IV programs with adequate checks and balances in the system of internal controls (4) not demonstrating any significant problems in the ability to administer Title IV programs and (5) not appearing to lack the ability to administer Title IV programs appropriately.

In reviewing TSJC's completed CCHE Colorado Financial Aid Questionnaire, KPMG noted the following areas to improve upon:

- The school does not have a financial aid advisory committee.
- The Pell grant that a student is entitled to receive is not counted as a resource if a student has not applied for it. For need-based programs, institutions are to consider the amount of Pell funds a student is entitled to receive as a resource regardless of whether the student has applied for the Pell grant.
- The written packaging policy does not address the method by which aid is awarded to less than full-time students.
- The institution has not established due process procedures for students suspected of fraud and abuse in state-funded programs and has not established penalties for proven fraud.

The limited staff size creates an environment where segregation of duties is difficult to achieve, and the manual awarding leads to a higher likelihood of human error. These deficiencies cause a large caseload that must be manually processed by the staff, and the lack of procedures could result in erroneous amounts being awarded to students. The manual processing by so few people creates time constraints, which makes it difficult for the financial aid office to comply with some of the common responsibilities assigned to financial aid offices and makes it difficult to maintain administrative oversight independently. In addition, these conditions increase the risk of misuse of funds and other resources. A financial aid advisory committee would provide monitoring and secondary review of the overall award process and help ensure applicants are treated equitably.

(CFDA Nos. 84.007, Federal Supplemental Educational Opportunity Grants; 84.033, Federal Work Study Program; 84.063, Federal Pell Grant Program; Eligibility.)

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### **Recommendation No. 49:**

Trinidad State Junior College (TSJC) should consider the need to automate the award packaging process and consider the need for additional mitigating controls to ensure proper segregation of duties for carrying out the SFA programs. This would allow the common responsibilities of a financial aid office administering the Title IV and state-funded programs to be complied with in a more adequate, efficient, and timely manner. This

would reduce the potential for human error and would also ease the burden imposed on the limited staff.

TSJC should establish a financial aid advisory committee whose duties include, but are not necessarily limited to, advising the financial aid director concerning policy issues. TSJC should incorporate into its packaging policy an allowance for federal Pell grant funds a student may be entitled to receive, regardless of whether the student applied for a Pell grant. The packaging policy should also address the method by which aid is awarded to less than full-time students. Finally, TSJC should establish due process procedures for students suspected of fraud and abuse in state-funded programs and should establish penalties for proven fraud.

### **Trinidad State Junior College Response:**

Agree. Trinidad State Junior College agrees and will implement by June 2003.

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## **Student Financial Aid Policies and Procedures**

As discussed previously, we noted a number of findings and recommendations related to certain college's student financial aid and the controls in place over compliance requirements. While we did note that student financial aid programs are carried out by each of the individual colleges in accordance with institution policies and procedures, we believe there is an opportunity to share best practices and help ensure compliance systemwide with student financial aid requirements. For example, a standard policy for calculating the return of Title IV funds would benefit the entire system and ensure consistent compliance with the requirement. A similar policy on use and documentation of professional judgments would help the colleges to ensure awards are being made to eligible students.

(CFDA Nos. 84.007, Federal Supplemental Educational Opportunity Grants; 84.033, Federal Work Study Program; 84.063, Federal Pell Grant Program; Other.)

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### **Recommendation No. 50:**

Colorado Community College System (CCCS) should evaluate the student financial aid findings noted above and ensure all colleges are in compliance and have adequate internal controls over the areas noted. CCCS should also develop systemwide policies to address



key student financial requirements such as return of Title IV funds and professional judgments.

### **Colorado Community College System Response:**

Agree. Colorado Community College System does not currently have resources dedicated to coordinating and monitoring financial aid operations at its 13 colleges. Resources will need to be reallocated or added to fulfill this recommendation. This recommendation will be implemented by June 2003.

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## **Vocational Education - Basic Grants to States**

When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the federal government. When funds are advanced, recipients must follow procedures to minimize the time elapsed between the transfer of funds from the U.S. Treasury and disbursement (e.g., maximum of three days prior to disbursement for expenditures for the purpose for which the funds were intended under the grant).

When advance payment procedures are used, recipients must establish similar procedures for subrecipients. Pass-through entities must monitor cash drawdowns by their subrecipients to ensure that subrecipients conform substantially to the same standards of timing and disbursement amounts that apply to the pass-through entity. Colorado Community College System (CCCS) receives Vocational Education - Basic Grants to States funds on a reimbursements basis; however, we found that CCCS makes payments to subrecipients on a quarterly basis based on internally determined percentages of 23 percent in the first quarter, 27 percent in the second quarter, and 25 percent in the third and fourth quarters. During Fiscal Year 2002, CCCS distributed \$5,065,000. CCCS does not know if its subrecipients spent their allocations in accordance with these predetermined percentages prior to the distributions. We also noted that CCCS requested reimbursement from the federal government of \$31,523 greater than the amount distributed.

We noted that CCCS makes quarterly payments to grantees without supporting documentation of the amount spent. CCCS periodically requests reimbursements based on expenditures reported in its general ledger. However, due to manual processing of transactions, errors were made in the reimbursement request. CCCS is not tracking the timing of reimbursements at the subrecipient level to ensure that monies are not advanced. The result of this practice is that CCCS could be advancing monies, rather than

reimbursing actual expenditures incurred. CCCS also received more federal funds than it spent.

This finding resulted in questioned costs of \$31,523. CCCS applied this amount against its Fiscal Year 2003 federal draw.

(CFDA No. 84.048; Vocational Education - Basic Grants to States; Cash Management and Allowable Costs.)

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### **Recommendation No. 51:**

Colorado Community College System (CCCS) should ensure funds are disbursed to subrecipients only on an as-needed basis and only reimburse subrecipients for amounts expended on allowable costs, where the expenditures are adequately documented. CCCS should evaluate alternatives to ensure that expenditures are for allowable costs and activities before providing reimbursement.

CCCS should also ensure that entries to record revenue are accurate and complete so that requests for reimbursements are also accurate.

### **Colorado Community College System Response:**

Agree. Colorado Community College System agrees. Additional reporting and monitoring processes will need to be initiated, potentially requiring resources not currently available in this operation. The System will seek to fulfill this recommendation in the most cost-effective manner possible and develop a plan to address these deficiencies by June 2003.

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## **Allowable Costs and Subrecipient Monitoring**

Federal regulations related to subrecipient monitoring require that grantees establish and implement procedures for the ongoing monitoring of their delegate agencies (subrecipients) carrying out Carl Perkins - Vocational Education operations. Monitoring of grantees should include controls to ensure that reimbursements to subrecipients are adequately supported as to propriety for allowability within program requirements.

Colorado Community College System (CCCS) performs annual audits of a limited number of grantees to monitor subrecipients subsequent to year-end to ensure expenditures incurred by the subrecipient were for allowable costs and activities. However, adequate

procedures are not in place during the year to document and ensure that subrecipients are administering federal awards in compliance with federal requirements as they apply to allowable costs and activities and matching requirements. CCCS also does not obtain and review subrecipient A-133 reports. Subrecipients comprise approximately 60 percent of federal expenditures totaling approximately \$5,065,000 for Fiscal Year 2002.

CCCS is not able to adequately support monitoring of subrecipients for the grant funds paid and verify that funds were specifically used for authorized purposes within the program during the year.

(CFDA No. 84.048; Vocational Education - Basic Grants to States; Allowable Costs and Subrecipient Monitoring.)

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### **Recommendation No. 52:**

Colorado Community College System should strengthen monitoring procedures and the documentation over subrecipients receiving funds for the Carl Perkins - Vocational Education program, including:

- a. Ensuring that subrecipients expending \$300,000 or more in federal awards during the fiscal year have met the audit requirements of OMB Circular A-133 for that fiscal year.
- b. Issuing management decisions on audit findings within six months after receipt of subrecipients' audit reports, and ensure that subrecipients take appropriate and timely corrective action.
- c. Evaluating its other monitoring procedures to ensure compliance with applicable requirements.

### **Colorado Community College System Response:**

Agree. Additional internal audit resources may be required to satisfy this recommendation. Additional reporting will be required of the subrecipients as well. CCCS will develop a plan to achieve the necessary audit coverage during Fiscal Year 2003.

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## **Preparing Tomorrow's Teachers to Use Technology**

The Preparing Tomorrow's Teachers to Use Technology grant is funded on a reimbursement basis. When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the federal government. Colorado Community College System (CCCS) received reimbursement for which it had not expended monies during Fiscal Year 2002.

CCCS overdrew its Preparing Tomorrow's Teachers to Use Technology grant by \$105,234 during Fiscal Year 2002. This error was the result of improper posting of a previous cash receipt and errors in recording accounts receivable. This resulted in questioned costs of \$105,234. These funds were applied against the first Fiscal Year 2003 request for reimbursement.

(CFDA No. 84.342; Preparing Tomorrow's Teachers to Use Technology; Cash Management.)

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### **Recommendation No. 53:**

Colorado Community College System should strengthen controls over its cash management process to ensure requests for reimbursement are for costs incurred.

### **Colorado Community College Response:**

Agree. CCCS will take steps necessary to strengthen cash management controls by June 2003.

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## **Colorado School of Mines**

The Colorado School of Mines was founded on February 9, 1874. The primary emphasis of the Colorado School of Mines is engineering, science education, and research. The School operates under the authority of Article 40, Title 23, C.R.S.

The following comments were prepared by the public accounting firm of BKD, LLP, who performed audit work at the Colorado School of Mines.

## **Receipt and Use of Federal Funds**

The Colorado School of Mines (the University) participates in numerous federal grant programs throughout the year. These grants are largely for research and development programs within the University and for student financial aid. Research and development and student financial aid were tested as major programs under the Office of Management and Budget (OMB) Circular A-133 for the fiscal year ended June 30, 2002. During the year the University had expenditures under these federal grants of \$14.8 million. Our testing noted instances of noncompliance with the requirements of federal grants or OMB Circular A-133 as follows.

### **Improve Subrecipient Monitoring**

In the fiscal year ended June 30, 2002, the University reported on its Schedule of Federal Assistance funds passed through to subrecipients of \$2,850,048 in eight programs.

The requirements set forth in the OMB Circular A-133 provide that pass-through entities (in this case the University) obtain reasonable assurance that federal award information and compliance requirements are identified to subrecipients, subrecipient activities are monitored, subrecipient audit findings are resolved and the impact of any subrecipient noncompliance on the pass-through entity is evaluated. Also, the pass-through entity should perform procedures to provide reasonable assurance that the subrecipient obtains required audits and takes appropriate corrective action on audit findings. During our testing of research and development grants we found that the University did not adequately document information about its subrecipient monitoring.

The University designates a principal investigator for each grant, usually a university professor. This investigator is responsible for approving all expenditures submitted by subrecipients and for supervision of the subrecipient. While proper supervision may be occurring, the University did not have documentation to support the monitoring process. Without the documentation, it is not possible to determine if all federal requirements had been met.

The University should maintain a database that lists all subrecipients. The database should document that the subrecipients have received an OMB Circular A-133 audit and are aware of the guidelines of this regulation. University personnel should then document their review of the audit and respond to an reported findings and questioned costs. If the University does not receive an A-133 audit from the subrecipient, a certification letter should be sent to the subrecipient. The subtitles on the certification letter should include the following: 1) audit not complete, 2) audit complete/no findings, 3) audit complete/related findings, or 4) not subject to audit. The database should also track any

other communication or monitoring of the subrecipient by the principal investigator. If a certification letter or A-133 audit is not received the subrecipient should be considered not in compliance. If a subrecipient is not in compliance, the principal investigator should be notified. The principal investigator should inform the subrecipients that payments will be withheld until they are in compliance with regulations.

This recommendation was made in the prior two years audit and has not been corrected.

(Various CFDA Nos.; Research and Development Cluster; Subrecipient Monitoring.)

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### **Recommendation No. 54:**

The Colorado School of Mines should develop subrecipient monitoring documentation policies and procedures to help ensure that subrecipient files are properly maintained and provide documentation for the monitoring that has occurred.

#### **Colorado School of Mines Response:**

Agree. The Colorado School of Mines continued to strengthen this area within the past twelve months. A database was created to track all subrecipients; however, the procedure to certify compliance concerning the recipient's completion of an A-133 audit has not yet been implemented. This will be implemented in the current fiscal year. Implementation date April 2003.

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### **Proper Close-out Procedures**

During the fiscal year ended June 30, 2002, the University completed approximately 100 projects for which it received federal research and development grants. To ensure compliance with applicable laws, regulations, and provisions of each grant, the University documents "close-out" procedures for each project completed. Documentation of close-out procedures includes contractual and financial status checklists and conversation logs between the department receiving the grant and the grantor. Close-out procedures are in place to ensure that additional expenses are not charged to the project after it has been completed. In our testing, 1 of the 21 closed projects tested lacked documentation of close-out procedures due to an oversight in the grant department. While we did not observe improper expenditures in this grant, there is risk to the University when the policies are not followed.

(See Appendix A, Colorado School of Mines, for listing of applicable CDFA Nos.; Special Tests and Provisions.)

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### **Recommendation No. 55:**

The Colorado School of Mines should follow the policies and procedures to help ensure close-out procedures are documented for each project completed to prevent erroneous expenses being charged to these projects and ensure compliance with applicable laws and regulations.

### **Colorado School of Mines Response:**

Agree. There is a documented process and procedure in place to close-out each project. The audit identified an error in one phase of the close-out database. This technical error was corrected during the current fiscal year. An additional procedure was also added to identify all closed-out projects on the financial system and the close-out database. Implementation date January 2003.

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## **Calculating Pell Grant Amounts**

The University has 411 students who received approximately \$955,446 in grants under the Federal Pell Grant Program. Under the Federal Pell Grant Program, amounts are awarded to students based on the students' expected family contribution, expected cost of attendance and enrollment status. The University calculates amounts to be awarded to students using the "Regular Payment Schedule for Determining Scheduled Awards" provided annually by the federal government. In our testing, 1 of the 30 students tested was awarded an incorrect amount of \$125 and should have been awarded \$2,900. The student's Pell Grant was calculated based on part-time rather than full-time status in school.

(CFDA No.84.063; Federal Pell Grant Program; Eligibility.)

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**Recommendation No. 56:**

The Colorado School of Mines should develop a process for reviewing financial aid awards to ensure that Pell Grants are awarded in the correct amount.

**Colorado School of Mines Response:**

Agree. The Colorado School of Mines has policies and procedures in place for calculating the correct financial aid awards. The procedures will be reviewed for an opportunity to strengthen them. When the error was discovered, it was corrected and the amount was properly remitted to the student. Implementation date March 2003.

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**Transmissions to the National Student Loan Data System**

The University has 1,724 students who received approximately \$7,455,056 in loans under the Federal Family Education Loan (FFEL) program. Under the FFEL program, the University is required to communicate to lenders and guarantors changes in student status when students graduate, withdraw or drop out. The University performs the required communication through the National Student Loan Data System (NSLDS). The University transmits all required information to NSLDS which makes available the information to lenders and guarantors. The transmission to NSLDS for spring graduates did not include final grades for the spring semester. As a result, graduation dates were not included for students who graduated in May 2002. This was due to the transmission being sent to NSLDS prior to the final grades being entered into the System. The University did retransmit the information once the problem was detected. This is a violation of the provision of the FFEL program. As a result of NSLDS not receiving this information, and therefore the lenders not receiving graduation dates, students who graduated would not have gone into repayment status on their loans at the correct time. The University should determine the cause of the missing information and develop a report review system to ensure all required fields are communicated in the future.

(CFDA No.84.032; Federal Family Education Loans; Special Tests and Provisions.)



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## **Recommendation No. 57:**

The Colorado School of Mines should develop policies and procedures to help ensure that all communications with National Student Loan Data System (NSLDS) are complete, accurate, and timely.

### **Colorado School of Mines Response:**

Agree. Colorado School of Mines is required to transmit data three times per semester to the NSLDS. NSLDS publishes requirements and due dates for submittal of information. Due to an internal process error, the transmittal cited was submitted earlier than the due date. Controls are now in place to ensure that the University does not submit the report early nor without all of the required information. Implementation date February 2003.

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## **Student Loan Division**

The Colorado Student Loan Program (CSLP or Student Loan Division or the Division) was created by an act of the Colorado Legislature in June 1979 to assist Colorado residents in meeting expenses incurred in availing themselves of higher education opportunities. CSLP's mission is to provide students with access and choice in higher education by ensuring the availability and value of financing programs.

The following comments were prepared by the public accounting firm of Clifton Gunderson LLP, who performed audit work at the Student Loan Division.

### **Duplicate Billings for Default Aversion Fees**

The Colorado Student Loan Program (CSLP) engages in default aversion activities designed to prevent the default on a loan by a borrower. Default aversion activities are activities of a guaranty agency, such as the CSLP, that provide collection assistance to the lender on a delinquent loan, including due diligence activities, prior to the loan being legally in a default status. In general, the CSLP may transfer a default aversion fee (DAF) from its Federal Fund to its Operating Fund to be used in the operations of the Division. The fee is based on 1 percent of the total unpaid principal and accrued interest owed on the loan in cases where the lender requests default aversion assistance. The DAF should be

paid only once on each loan. During our audit procedures, we noted instances where the CSLP was billing for the DAF more than once for the same loan.

When we notified the CSLP of the problem, the CSLP investigated and found that the duplicate billing problem began with the implementation of a new automated process called Common Account Maintenance (CAM) in January 2002 to support the addition and updating of pre-claim information. This billing duplication was caused by incorrectly setting a DAF indicator required for loans to be eligible for billing in the new system beginning January 2002. The indicator pulled loans into the new billing, even though the DAF billing had already occurred on a previous pre-claim for the same loan. As a result of the duplicate billings, excess funds were transferred and used for the operations of the CSLP. The CSLP identified that total errors accumulated to \$420,643. The errors were corrected and adjusted accordingly at June 30, 2002.

(CFDA No. 84.032; Federal Family Education Loans; Reporting Requirements, Special Tests.)

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### **Recommendation No. 58:**

The Colorado Student Loan Program (CSLP) should ensure that all new processes affecting the default aversion fee (DAF) billing system are adequately tested to avoid unforeseen impacts on the system and possible errors. Additionally, the CSLP should continue to implement and follow established control and system procedures to correct the duplicate billing errors within the system.

### **Student Loan Division Response:**

Agree. The Division has developed processes to identify all duplicate DAF billings. The Division ran a one-time system correction to delete the DAF billing information for the second claims that had been erroneously billed. In addition, a CAM update process was revised so that it will identify a loan that has previously been billed for the DAF and contain the correct billing indicator. To prevent further problems with DAF billing, the CSLP has proposed the following processes to eliminate these errors.

- A process to identify potential duplicate DAF billings will be run each month prior to the running of the DAF billing process. If any records are selected for this report, DAF billing will not be run until the problems can be researched and resolved.

- A process has been developed to audit the DAF information for all active and cancelled pre-claims. This process will be run prior to running the DAF billing process. If any records are selected for this report, DAF billing will not be run until the problems can be researched and resolved.
- A process to identify duplicate DAF billings will be run after running the DAF billing process. If any records are selected for this report, they will be researched and corrected before running any additional DAF billing cycles.

These procedures were adopted by the Division in July 2002.

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## **Default Aversion Fee Computed on Incorrect Loan Balance**

In another problem related to the default aversion fee (DAF), we noted that in some instances the DAF was not calculated as it should be on the principal and interest amounts owed at the time the default claim was filed, but rather on the current principal and interest amounts at billing. Using incorrect principal and interest amounts in computing the DAF resulted in overbilling \$731 in fees. Excess fees were billed because the computation was based on additional accrued interest on the loan(s). Subsequent to our test work, the Division identified that the problem began with the implementation of the new Common Account Maintenance (CAM) automated process in January 2002. When the CAM system was updated and the transactions for existing pre-claims were processed, the DAF billing amounts were updated so that they no longer reflected the original principal and interest amounts on which the DAF should have been calculated. The error in the system was corrected and the adjustment to the financial statements was made as of June 30, 2002.

(CFDA No. 84.032; Federal Family Education Loans; Reporting Requirements, Special Tests.)

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### **Recommendation No. 59:**

The Colorado Student Loan Program should develop and implement a process and procedures to ensure that the default aversion fees (DAF) are computed on the correct base amounts. Additionally, the CSLP should develop procedures to identify problems and prevent errors before they occur.

## **Student Loan Division Response:**

Agree. The Division has developed processes to identify all incorrect DAF billings. Procedures were developed to identify all claims where the current DAF principal and interest amounts were not equal to the DAF amounts when the claim was initiated. A one-time fix was also run to correct the DAF principal and interest amounts within the system, and the Division verified that all corrections to the system were performed correctly. In addition, the procedures have been changed so that when a claim is added to the system, the CAM process will initially set the DAF principal and interest. However, when subsequent transactions are received for the same claim, the transactions will not update the DAF principal and interest amounts. These procedures were adopted by the Division in July 2002.

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## **Accrued Interest on Defaulted Loans Not Computed Correctly**

The Colorado Student Loan Program (CSLP) files a claim with the U.S. Department of Education (DE) for reinsurance for defaulted loans after a lender files a claim for payment on the defaulted loan with the CSLP. The CSLP will continue to collect from the borrower. A certain amount of subsequent collections received from the borrower on defaulted loans is retained by the CSLP. The collections from the borrower are split between principal and interest. As interest rates change, the new rate is entered into the system via a table. When the interest rate for a variable rate claim changes, an interest calculation (IC) transaction is created to accrue the interest to the effective date of the new interest rate. IC transactions are used to ensure the accuracy of interest accruals and provide a trail for changes to interest rates for specific claims. After the IC transaction occurs, the claim is updated with the new rate.

Through a process where the CSLP assigned an interest indicator to each claim, the CSLP identified instances where certain claims dating back to 1994 had missing IC transactions. Due to the missing IC transactions, payments received subsequent to the IC transactions were not applied using the correct interest rates. The CSLP identified that the IC transactions were not correctly applied primarily due to errors in the computer system.

The CSLP identified the estimated amount of underaccrued interest on affected claims was approximately \$39,082, which resulted in the CSLP's collecting less than what was actually due from the borrowers. The CSLP has decided to absorb the cost of the underaccrual error. In addition, the CSLP identified that it had estimated a total of

\$13,008 in overaccrued interest. This resulted in the CSLP's collecting more than what was actually due from the borrowers. The CSLP is required by its policy to repay amounts to borrowers that are overcollected in excess of \$20. The aggregate amount that the CSLP will refund to borrowers over this limit is \$4,858. The under- and overaccrued interest amounts are not reflected as of June 30, 2002.

(CFDA No. 84.032; Federal Family Education Loans; Reporting Requirements, Special Tests.)

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### **Recommendation No. 60:**

The Colorado Student Loan Program should refund the appropriate amounts to the borrowers who were charged excess interest. The CSLP should develop procedures to prevent future interest calculation (IC) transaction errors and to identify and correct inaccurate IC transactions within the computer system so that the proper interest accruals are made to the appropriate claims.

### **Student Loan Division Response:**

Agree. The Division believes it has identified the extent of the problem with the missing IC transactions. The CSLP has corrected all interest rates through July 1, 2002. The CSLP has decided to absorb the cost of the underaccrual error. Since CSLP has corrected the interest rates as of July 1, 2002, for all of the affected claims with underaccrual errors, the interest will be accruing correctly from July 1, 2002, forward on the reduced loan balances. The CSLP will make a one-time correction to those accounts where the proper IC transaction was not applied and resulted in overaccrued interest; plus, the CSLP will refund overaccruals in excess of \$20. The Division will implement changes that need to be made to the ongoing system to prevent these errors from occurring in the future. This includes changes to procedures to ensure that interest rate tables are updated correctly prior to the start of a new fiscal year, changes in the interest rate audit process, and the weekly generation of a missing IC audit report for further analysis.

In addition, an internal change-control process involving multiple departments in the agency responsible for ensuring entry of correct interest rate changes in the future has been established. These procedures were adopted by the Division in September 2002.

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# Department of Human Services

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## Introduction

The Department of Human Services is responsible, by statute, for managing, administering, overseeing, and delivering human services in the State. While many of these services are provided through county departments of social services, the Department is also responsible for the direct operation of a number of facilities that provide direct services, including mental health institutes, nursing homes, and youth corrections. Please refer to page 37 in the Financial Statement Findings section for additional background information.

## Compliance With the Cash Management Improvement Act

In Fiscal Year 2002 the Department of Human Services (DHS) expended \$753 million for the administration of 75 federal programs, including programs at four of the State's nursing homes. The Department operates on a reimbursement basis with the federal government, fronting general fund dollars for federal programs prior to requesting federal reimbursement for the appropriate share. This reimbursement process is governed by the federal Cash Management Improvement Act (CMIA). The purpose of CMIA is to minimize the time between when a state makes an expenditure and when the federal reimbursement is received so neither party incurs a loss of interest on the funds. In other words, the intent is that the payment issued by the Department should clear the State's bank on the same day the federal reimbursement is received for the related expenditure.

According to CMIA, the State must enter into a formal agreement with the federal Treasury Department to establish reimbursement schedules for selected federal programs awarded to the State. Under Colorado's agreement, 13 of the Department's programs were covered under CMIA for Fiscal Year 2002. Per the agreement, the Department should draw down federal funds three business days after expenditures are incurred or payments are mailed, depending on the method of payment (electronic funds transfer or warrants, respectively). In practice, this means that the Department should request reimbursement for a qualifying expenditure the third day after an electronic funds transfer (EFT) transaction is approved on COFRS or four days after a payment voucher for a warrant is approved on COFRS. The 13 programs covered under CMIA accounted for approximately \$624 million, or 83 percent of the Department's total federal expenditures in Fiscal Year 2002.

During our prior years' audits, we have identified ongoing problems with the Department's cash management related to federal programs. Specifically, in Fiscal Year 2001 we found problems with the Department's draw patterns for all of its 14 programs covered under the CMIA Agreement. For example, we found that the Department's receivable balances for each of these programs represented as much as five months of expenditures outstanding. During our Fiscal Year 2002 audit, we found that the Department made a concerted effort during the year to address its cash management problems, including improving its monitoring and oversight of federal drawdowns. The Department implemented a detailed tracking system showing the transactions automatically generated by COFRS, which aided the Department in becoming aware of timeliness issues related to federal drawdowns and enabled it to investigate problems sooner. While the results of our testwork discussed below indicate that the Department has made substantial improvements in cash management, they indicate the Department should further ensure that all draws for EFT payments are made timely and in accordance with the CMIA agreement.

## **Results of Draw Pattern Testing**

In order to determine if the Department followed the draw pattern contained in the formal agreement during Fiscal Year 2002, we tested a sample of 87 warrant and electronic funds transfers for CMIA-covered federal grants. Specifically, we determined the number of days between when the federal expenditure was incurred or when the warrant was mailed, depending on the type of payment, and when federal reimbursement was requested, or the "draw pattern." The results of our testwork are contained in the following table.

Colorado Department of Human Services Cash Management Patterns Fiscal Year 2002							
Draw Pattern in Days							
Electronic Funds Transfer <sup>1</sup>	Sample Transactions			Warrants <sup>2</sup>	Sample Transactions		
	Number	%	Dollars		Number	%	Dollars
0-1 days	0	0%	\$0	0-1 days	0	0%	\$0
2 days	0	0%	\$0	2 days	35	66%	\$959,000
3 days (required under CMIA agreement)	12	35%	\$1,438,000	3 days (required under CMIA agreement)	13	24%	\$41,000
4 days	20	59%	\$110,000	4 days	3	6%	\$49,000
8 days	2	6%	\$14,000	5 days	2	4%	\$18,000
TOTAL	34			TOTAL	53		

**Source:** Office of the State Auditor analysis of Department and COFRS data.  
<sup>1</sup> Per the State's agreement with the federal Treasury Department, the Department should request reimbursement of federal funds three days after payments are made through Electronic Funds Transfers (EFTs).  
<sup>2</sup> Per the State's agreement with the federal Treasury Department and our discussions with Department and COFRS staff regarding the timeframe required for warrant payments, the Department should request federal funds reimbursement three days after warrant payments are mailed.

For EFT payments, our testwork indicates that in some instances the Department is fronting state general funds longer than required by the draw schedule contained in the formal CMIA agreement. In 65 percent of the items tested, federal draws were requested within four or eight days rather than three days as required. From the perspective of the federal government, this is not an issue because federal funds are not being requested sooner than specified in the CMIA agreement. Rather, the delay means that the State is about one to five days behind in requesting federal funds and thus loses interest on those funds for that period.

On the other hand, for warrant payments, the Department requested federal reimbursement one day earlier than allowed by the draw schedule for 66 percent of the transactions tested. This means that the State could be required to pay interest to the federal government on the early payments.

According to the terms of the CMIA agreement and guidance the Department has received from the Office of the State Treasurer, the Department should draw federal funds three days after EFT payments are approved on COFRS and four days after warrants are approved on COFRS. However, Department staff indicate that they currently use the three-day draw



schedule for both types of payments. Thus, the Department should revise its existing federal draw procedures for warrant payments to ensure draws are made in compliance with the CMIA agreement. Further, the Department should continue to improve its draw patterns for EFT payments to lessen the potential loss of interest to the State.

(CFDA Nos. 10.551, 10.555, 10.561, 84.126, 93.558, 93.563, 93.568, 93.575, 93.596, 93.658, 93.667, 93.959, 96.001; Food Stamps, National School Lunch Program, State Administrative Matching Grants for Food Stamp Program, Rehabilitation Services - Vocational Rehabilitation Grants to States, Temporary Assistance for Needy Families, Child Support Enforcement, Low-Income Home Energy Assistance, Child Care and Development Block Grant, Child Care Mandatory and Matching Funds of the Child Care and Development Fund, Foster Care - Title IV-E, Social Services Block Grant, Block Grants for Prevention and Treatment of Substance Abuse, Social Security - Disability Insurance; Cash Management)

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### **Recommendation No. 61:**

The Department of Human Services should continue to improve its cash management for federal programs by ensuring federal draws are made timely and in accordance with the CMIA agreement. This should include revising its federal draw procedures for warrant payments to reflect the requirements of the CMIA agreement.

### **Department of Human Services Response:**

Agree. The Department of Human Services will continue to work toward processing federal drawdowns so that the cash is received from the federal treasury on the same day as the cash leaves the State's bank account for federal expenditures. This will be done by meeting with the Division of Information Technology to ensure that all parties understand the relationship and timing of document processing from the time a request for payment is entered into the State's accounting system through the date a warrant is sent out or a request is sent to the bank to transfer payment electronically. The Department will also meet with the appropriate personnel at the Office of the State Treasurer to gain an understanding of when the cash is received by the State's bank in relation to when the federal drawdown request is made. The Department's drawdown procedures will be modified accordingly and staff will be trained. We will also work with the Office of the State Treasurer to clarify wording in the federal/state agreement to reflect the flow of documents and cash.

Implementation Date: March 31, 2003.

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## TANF Program Payment Voucher Review Process

In 1996, Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) established federal welfare reform requirements and created the Temporary Assistance for Needy Families (TANF) program. In July 1997 the Department of Human Services implemented TANF in Colorado as the "Colorado Works" program.

The Department purchases goods and services as part of its administration of the program. These purchases include office supplies, contracted employees, training sessions, and other expenditures necessary for the operation of the TANF program. During our Fiscal Year 2002 testing of 49 federal grant program transactions, we reviewed purchases of goods and services made by TANF program staff. Out of the seven transactions tested, three contained errors. Specifically, we found the following:

- One payment was coded incorrectly on COFRS. Department staff incorrectly coded a \$3,800 payment for services rendered by a contractual employee to an expenditure code for registration fees. Further testwork indicated that an additional eight payments totaling about \$47,300 made to the contractor for the same type of service during the year were also coded incorrectly.
- One payment was made for services rendered 8 to 11 months earlier. Due in part to program staff turnover and in part to problems with a vendor's invoice, services rendered in January, March, and April 2001 totaling \$2,058 were not paid until December 2001. Further, a payable was not established for these services in Fiscal Year 2001 when they were provided as required by State Fiscal Rules. Thus, the services were charged against the wrong fiscal year's budget.
- One payment amount did not agree to supporting documentation. Supporting documentation provided for one payment was \$13.50 less than the payment amount. While this amount is small, it raises concerns regarding the review process over TANF payments, since the amount paid was greater than the amount due.

Staff indicate that TANF purchases are reviewed for reasonableness and accuracy by both program and accounting staff prior to purchase and payment approval. However, the errors identified in our sample indicate that the review process needs to be strengthened to ensure that payment vouchers are mathematically accurate, payments are made timely and charged to the correct fiscal year, and expenditures are coded to the proper accounts.

(CFDA No. 93.558, Temporary Assistance for Needy Families; Activities Allowed or Unallowed, Allowable Costs/Cost Principals.)

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### **Recommendation No. 62:**

The Department of Human Services should strengthen the payment review process within the TANF program to ensure expenditures are consistent with supporting documentation, paid timely and charged to the correct fiscal year, and coded to the proper account.

#### **Department of Human Services Response:**

Agree. Training of the program accountant who reviews the TANF encumbrance and expenditure coding took place January 7, 2003. The coding will be reviewed in the future for all purchase orders and payment vouchers. If changes are made on the invoice amounts, an adding machine tape will be included with the payment voucher to prove the new total. The logging of invoices in vouchering will be monitored more closely. The training for the vouchering unit will be complete by January 31, 2003.

Implementation Date: January 31, 2003.

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## **Foster Care Quality Assurance Process**

In Fiscal Year 2002 the Department expended \$47.8 million in state and federal funds for the administration of the Title IV-E Foster Care program. The purpose of the program is to provide safe, appropriate, 24-hour, substitute care for children temporarily removed from their home. The Foster Care program is overseen by the Department's Office of Child Welfare and administered locally by the county departments of social services.

Federal law requires states to conduct quality assurance reviews of all children placed in foster care on a periodic basis to ensure the safety and well-being of children within the Foster Care system. We found during our audit that while the Department conducted quality assurance reviews of all children in out-of-home Foster Care settings during Fiscal Year 2002, Department staff did not conduct quality assurance reviews of children receiving "in-home" services or placed in out-of-home settings for fewer than six months.

According to Department policies, quality assurance reviews are performed by the Foster Care Administrative Review Division (ARD). The purposes of the reviews are to evaluate the adequacy and quality of services provided by the county, evaluate measures implemented to address identified problems, and identify strengths and weaknesses of each county's Foster Care program. Department staff perform this function through review of children's case files. Reviews are performed for those children in out-of-home settings for longer than six months in conjunction with state- and federally required face-to-face administrative reviews.

In prior years, ARD staff selected for review a random, stratified sample from those children placed in "in-home" and short-term out-of-home settings. Specifically, staff would select and review case files for a sample of foster care children once every six months within each of the State's 15 largest counties and once a year for all other counties. Through these reviews, the Department would assess the county's assessment, intake, and in-home service delivery system. Data collected through the case file review was reported on county and statewide aggregate reports and distributed to the counties. As of the end of our audit, the Department reported that approximately 9,400 of the 21,000 children receiving Foster Care services were considered to be in-home or short-term out-of-home placements.

Department staff indicate they were unable to select a statistically valid sample of children for review in Fiscal Year 2002 due to problems with the newly implemented statewide child welfare information system, Trails. Problems ranged from missing information due to coding problems to duplicate data. These problems are consistent with those identified in our OSA audit, *Colorado Trails System Performance Audit*, Report No. 1456, dated November 2002.

Department staff indicate that coding and duplicate data errors have been corrected and the Division will be reinstating its quality assurance review for children in in-home and short-term out-of-home settings in January 2003. In order for the Department to ensure that it is adhering to federal regulations and that children receiving in-home and out-of-home Foster Care services are protected, it must reinstitute and maintain such a review.

(CFDA No. 93.658, Foster Care: Title IV-E; Subrecipient Monitoring.)

### **Recommendation No. 63:**

The Department of Human Services should reinstitute and maintain a quality assurance review process over those children receiving in-home and short-term out-of-home Foster Care services.

#### **Department of Human Services Response:**

Agree. As noted in the narrative, the Quality Assurance Review Process has been reinstated. All children, including a random sample of those receiving in-home and short-term placement services, will be reviewed. The preliminary sample of cases has been pulled from the Trails database. Per previously established procedure, the notification of cases to be pulled for the review must be provided to the county three weeks prior to the on-site review. This has been done, and the first review is scheduled for February 10, 11, 12, and 14, 2003, in Arapahoe County.

Implementation Date: January 1, 2003.

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## **Foster Care Program Overview**

As discussed previously, Colorado's foster care program provides temporary and long-term care for children who are placed outside of their homes for protection or who are in conflict with their families or communities. Federal, state, and local governments are involved in foster care in Colorado. Specifically:

- **The Colorado Department of Human Services** is responsible for overseeing foster care in Colorado. As such, it promulgates regulations, provides training, licenses child placement agencies, provides technical assistance to counties, monitors outcomes, and prepares statewide reports.
- **The 64 Colorado counties** are responsible for the day-to-day administration of foster care. When a child is initially removed from his or her home, the courts often give temporary custody of the child to the department of human/social services located in the county where the child resides. The county department is responsible for finding and placing the child in the most appropriate and least restrictive setting, which is often a family foster home. County departments can place children in foster homes certified by the county or by private child placement

agencies (CPAs). Child placement agencies recruit and certify their own foster families.

- **The Administration for Children and Families in the U.S. Department of Health and Human Services** establishes regulations for foster care through Titles IV-B and IV-E of the federal Social Security Act and through the federal Adoption and Safe Families Act. Federal funding for foster care is provided through Titles IV-E and IV-B and the Title XX Social Services Block Grant.

Most children in foster care are eligible for funding under the state/county program and Medicaid. However, specific eligibility criteria exist for the federal Title IV-E program. To be eligible for the Title IV-E program, a child must meet both of the following conditions:

- The child must be placed in foster care either by a court order or through a voluntary placement agreement. For court-ordered placements, there must be judicial determinations that “removal from the home is in the child’s best interests” and that “reasonable efforts to prevent the child’s removal from the home have been made.” For voluntary placements, there must be a judicial determination within 180 days of the child’s placement in foster care that “continuation in out-of-home placement is in the child’s best interest.”
- The child must be determined eligible for Aid to Families with Dependent Children (AFDC) in accordance with the July 16, 1996, regulations.

The State is not eligible for Title IV-E reimbursements for foster care maintenance payments for children placed with for-profit child placement agencies. In Calendar Year 2000 more than 50 percent of the children served in foster care were eligible for the Title IV-E program.

During Fiscal Year 2002 the Office of the State Auditor conducted a performance audit of the Foster Care Program. The audit comments below were contained in the *Foster Care Program, Department of Human Services, Performance Audit*, Report No. 1420, dated June 2002.

## **Oversight of Medicaid Payments to CPAs**

Child placement agencies may receive additional revenue from Mental Health Assessment and Services Agencies (MHASAs) for case management services provided for foster care children receiving mental health therapies. Medicaid funds are used to pay for these services. According to the request for proposal (RFP) issued by the Department, case

management services are those "activities that are community-based and are delivered in the consumer's environment, including service planning, outreach, referral, supportive interventions, crisis management, linkage, service coordination and continuity of care, monitoring/follow-up, and advocacy." The Department is responsible for overseeing the activities of the MHASAs, which include ensuring that MHASAs are properly monitoring their subcontractors.

One CPA received nearly \$29,000 in Medicaid revenue from a MHASA for case management services allegedly provided for foster children in this CPA's care in Calendar Year 2001. To receive Medicaid funds from MHASAs, a CPA submits journals to the counties participating in the CPA Medicaid Transfer Program that detail the dates and time spent managing a child's therapeutic needs. Counties are responsible for ensuring that the children listed on these journals were under the care of the CPA during the time of the claim. Counties then forward the documentation to the MHASA overseeing mental health services in the area. In 2001 the MHASA paid this CPA \$60 per month for every journal that was submitted for the children placed by counties located within the MHASA's service region.

We question whether the CPA should have received Medicaid funds for case management services. We selected a sample of Medicaid payments made by the MHASA to the CPA in 2001 and 2002, and we found no documentation that this CPA's staff actually provided therapeutic case management services to foster children under its care. Staff from the MHASA and the Department of Human Services indicated that the CPAs should be documenting in a log or case file the types of case management services provided for each child. However, our review of a sample of case files and notes found no such documentation. In fact, for some of the cases where the CPA received Medicaid funds for case management services, the case notes stated that the child was not receiving therapy services.

Additionally, a representative from the MHASA stated that the manner in which the journals were filled out by the CPA raises suspicions as to the validity of the journals. Each of the journals we reviewed included one single entry for case management services provided for between one and three hours. According to the MHASA, such journals, if accurately completed, would most likely include multiple daily entries in which case management services were being provided. Furthermore, the owner of the CPA stated to us that her agency does not provide psychological case management services to children in its care and that many of the children placed through the agency do not receive therapies.

As part of the audit, we found that counties and MHASAs do not always review the journals submitted by CPAs to ensure that CPAs are actually providing case management services. Further, some of the contracts between CPAs and MHASAs do not specifically

define case management services. The Department needs to strengthen its oversight of Medicaid payments made to CPAs for case management services. It needs to ensure services are provided before payments are made.

(CFDA No. 93.777, 93.778 Medicaid Cluster; Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Subrecipient Monitoring.)

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### **Recommendation No. 64:**

The Department of Human Services should work to achieve a greater degree of accountability of Medicaid-reimbursable case management services provided by child placement agencies. To accomplish this, the Department should:

- a. Ensure that MHASAs are adequately monitoring case management services provided by child placement agencies on an annual basis.
- b. Ensure that MHASA contracts with child placement agencies clearly communicate the types of case management services that are reimbursable and the types of documentation that should be maintained to support that these services were actually provided.

### **Department of Human Services Response:**

Agree. Implementation: June 30, 2003. The Department will provide written notice to all MHASAs of the following:

- a. MHASAs should monitor case management services provided to MHASA clients by child placement agencies to ensure that case management services billed to the MHASAs have been provided and documented. Monitoring should be conducted at least annually; and
- b. MHASA contracts with child placement agencies should address the types of case management services that are reimbursable and the types of documentation that should be maintained to support that these services were actually provided.

Written notification will be completed by July 31, 2002. The Department will review the MHASAs' contracts with child placement agencies and the MHASAs' efforts to oversee child placement agency case management services by June 30, 2003.

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## Financial Activities of Child Placement Agencies

County departments of human/social services often contract with child placement agencies (CPAs) to provide foster care services. These private agencies license, train, monitor, and directly compensate foster parents that they certify. Additionally, some agencies provide therapeutic services to children in their care. When a county contracts with a CPA for the placement of a foster child, the county must reimburse the CPA by the 15<sup>th</sup> of the following month for services purchased by the county. Counties pay CPAs on a monthly basis for each placement. A daily rate is determined by the county to cover the care of the child, the case management requirements, and administrative costs of the CPA. Counties may place children with any of the licensed CPAs in the State. Therefore, one CPA may be responsible for children from all over the State.

In Calendar Year 2001 counties paid 61 CPAs in the State for providing foster care services for all or a portion of the year. These CPAs were responsible for overseeing more than 5,000 foster children and were paid a total of \$41 million of the \$52 million (79 percent) paid by counties to CPAs and county-certified providers for family foster care services. It should be noted that payments to county-certified providers do not include group home care. CPAs may be designated as either for-profit or nonprofit entities. In Calendar Year 2001 there were 13 for-profit and 48 nonprofit CPAs licensed in Colorado. For-profit CPAs were paid nearly \$10 million in this year; the nonprofits were paid more than \$30 million. The State receives federal reimbursement only for children placed with nonprofit CPAs.

We selected a sample of 10 CPAs to review their financial activities. These CPAs were selected on a risk basis because of either known problems (follow-up type reviews) or because of a high-risk assessment score assigned by the Department. Depending on our initial assessment, we conducted either a comprehensive financial review or a limited review of the financial activities. We note that the results of our reviews may not be representative of all CPAs in the State.

Calendar Year 2001 revenue for the 10 CPAs in our sample ranged from about \$218,000 to more than \$4.3 million. These 10 CPAs were paid a total of more than \$14 million, or 34 percent of the total amount paid to all CPAs in the year. These agencies were responsible for overseeing 857 children, on average, ranging between 20 and 260 children each month. Further, these agencies placed children with an average of between 5 and 101 certified foster care providers each month.

## Cost Requirements

The contracts signed between counties and CPAs require CPAs to:

Conform with and abide by all rules and regulations of the Colorado Department of Social Services, the State of Colorado and any federal laws and regulations, as such, which may be amended from time to time, and shall be binding on the Contractor and control any disputes in this Agreement.

These contracts also state that CPAs must “maintain service program records, fiscal records, documentation and other records which will sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance” of the agreement. Further, contracts signed between six CPAs in our sample and El Paso County require the CPAs to “strictly observe and conform with all applicable federal, state, and local laws, rules, regulations and orders . . . , including but not limited to . . . Office of Management and Budget Circulars (OMB),” including OMB Circular A-122.

Federal regulations require that subrecipients (i.e., CPAs) of federal funding through the Title IV-E, Title XX, and Medicaid programs must follow applicable cost principles. Specifically, Title 45 Subpart 74.27 of the Code of Federal Regulations requires that “the allowability of costs incurred by nonprofit organizations . . . is determined in accordance with the provisions of OMB Circular A-122,” while, “the allowability of costs incurred by commercial organizations . . . is determined in accordance with the provisions of the Federal Acquisition Regulations (FAR) at 48 CFR part 31.” One of the CPAs in our sample was a sole proprietorship. We did not identify any language that would exempt a sole proprietorship from complying with federal cost principles.

Using these cost principles, we reviewed expenditures of public foster care funds by CPAs in our sample. As we will discuss in this chapter, we identified more than \$1.1 million in questionable expenditures incurred by 6 of the 10 CPAs included in our financial reviews. Questionable expenditures for each CPA ranged from about \$50,000 to more than \$420,000. It should be noted that the payments made to CPAs include a mixture of federal, state, and local funding sources. It was not possible to correlate specific questioned costs with the funding source. Therefore, when reporting questioned costs, we did not attempt to allocate those costs among the entities that provide the funding.

Throughout our audit, we have worked with the Department of Human Services and the Office of the Attorney General to determine the appropriate legal and administrative course of action regarding questioned costs.

## Related Party Transactions

We found that four CPAs (three nonprofits and one for-profit) in our sample paid for mortgages and leases for 14 properties that were owned by these CPAs' directors, owners, or founders or their immediate family. According to OMB Circular A-122, which governs nonprofit agencies' financial activities, these transactions are referred to as "less-than-arms-length leases." Specifically, OMB Circular A-122, Attachment B, part 46(c), defines a less-than-arms-length lease as:

One under which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include, but are not limited to those between (1) divisions of an organization; (2) organizations under common control through common officers, directors, or members; and (3) an organization and a director, trustee, officer, or key employee of the organization or his immediate family either directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest.

Further, OMB Circular A-122, Attachment B, part 46(c) states that "rental costs under less-than-arms-length leases are allowable only up to the amount that would be allowed had title to the property been vested in the organization." This provision makes allowable only those costs that would be allowed had a nonprofit organization owned the property. In other words, only the depreciable amount of the building can be considered as an allowable expenditure. Additionally, OMB Circular A-122 states that "rental costs are allowable to the extent that the rates are reasonable in light of such factors as: (1) rental costs of comparable property, if any; (2) market conditions in the area; (3) alternatives available; and (4) the type, life expectancy, condition, and value of the property leased.

Title 48 Subpart 31.205-36(b)(3) of the Code of Federal Regulations, which governs the financial activities of for-profit organizations contracting with the government, states that rental costs are allowable between "organizations under common control, to the extent that they do not exceed the normal costs of ownership, such as depreciation, taxes, insurance, facilities capital cost of money, and maintenance." Further, Title 48 Subpart 31.205-36(b)(1) states that rental costs are allowable "to the extent that the rates are reasonable at the time of the lease decision, after consideration of . . . rental costs of comparable property, (and) market conditions in the area."

As part of the audit, we reviewed mortgage and lease payments made by CPAs in Calendar Year 2001 and the public records related to these property transactions. We found that four CPAs in our sample paid more than \$450,000 for properties that were owned by the directors, owners, or founders or their immediate family. Of this amount, we questioned more than \$355,000 of these payments. Specifically, these property transactions included the following:

- One nonprofit CPA paid its founders about \$157,000 in lease payments for a property used as the CPA's office space in Calendar Year 2001. As noted above, only the annual depreciation of about \$14,000 on the building can be considered an allowable cost. As a result, the unallowable payments in Calendar Year 2001 total about \$143,000.
- A for-profit CPA paid about \$136,000 for mortgages or rents on seven properties owned by the agency's owner and/or the owner's immediate family in Calendar Year 2001. For five of these properties, the owner or her immediate family secured five-year mortgages. We questioned the allowability of all or a portion of the payments made by this CPA, which totaled more than \$101,000. In Calendar Year 2001 one property was used as the CPA's office space. Three properties were used as foster homes and were owned by two of the owner's sons and her daughter. Another property was a former group home operated by the CPA's owner and was vacant in Calendar Year 2001. A sixth property was owned by one of the owner's sons and rented by another son, who reportedly provided respite care services in Calendar Year 2001. The CPA paid the mortgage payments to a nonrelated lender as compensation for the respite care services provided by the son renting this property. The seventh property was owned by the CPA's owner and occupied by the agency's housekeeper. According to the CPA's owner, payments for this property were made as part of the compensation package for the housekeeper for maid services provided at the office and one of the foster homes.
- Another nonprofit CPA in our sample leased five properties from one or both of its directors in Calendar Year 2001. This CPA paid \$111,500 for these properties to its directors. We questioned the allowability of all or a portion of the payments made by this CPA, which totaled more than \$71,000. These property transactions were less-than-arms-length leases, and payments for these properties exceeded the depreciable amount allowed and/or the market value rental costs in the area (OMB A-122, Attachment B, Paragraph 46). These properties were used as office space, foster homes, and a group care center.
- The fourth CPA paid \$48,000 in lease payments to its director in Calendar Year 2001 for the agency's office space. Since only the depreciable amount on the

building in a less-than-arms-length lease is allowable, we questioned nearly \$42,000 in lease payments for the property.

Additionally, we questioned nearly \$20,000 in utility payments made by a CPA for a number of properties, many of which were owned by family members. Supporting documentation related to these utility payments was incomplete and it was often difficult to determine if payments were for legitimate business purposes.

## **Payments for Management Fees to Related Corporations**

We questioned management fee payments made by one of the nonprofit CPAs in our sample to a related for-profit corporation in Fiscal Year 2001 due to the lack of documentation supporting that these costs were related to the provision of foster care. According to a draft of the independent auditor's report for the year ended June 30, 2001, this CPA paid nearly \$370,000 to its related for-profit corporation in Fiscal Year 2001. The \$370,000 in management fee payments appears to be excessive given that it represents more than 16 percent of the \$2.2 million of this CPA's foster care revenue and no documentation of the work performed or services provided was available.

We obtained a copy of the management contract established between this CPA and its related for-profit corporation from the Division of Child Care. This contract states that the CPA will pay a management fee to its related for-profit corporation based upon the following:

- There shall first be determined the gross revenue for the month in question for the CPA.
- There shall then be subtracted from the gross revenue all amounts paid for (1) the account of employees, subcontractors, suppliers, and similar parties of the CPA; (2) all amounts paid for operating costs, including, but not limited to, rent, office supplies, telephone expenses, and similar items of the CPA; and (3) the sum of \$1,000.
- The remainder of the gross revenue shall then be the monthly fee paid to the for-profit corporation.

In addition to the monthly management fee, the contract states that the CPA will pay the for-profit corporation an annual bonus. This bonus is based upon the net income of the CPA before taxes and deduction of depreciation or amortization expenses minus a

subtracted sum of \$12,000. With this arrangement, it appears that all of the “profits” of the “nonprofit CPA” are being transferred to the related for-profit corporation. The method used to pay the monthly management fee and the annual bonus is not based on the services provided by the for-profit corporation, but rather on the “profits.” OMB Circular A-122 Subparagraph 7(d)(1) states that when evaluating compensation to members of nonprofit organizations, trustees, directors, associates, officers, or the immediate families, “determination should be made that such compensation is reasonable for the actual personal services rendered rather than a distribution of earnings in excess of costs.”

## Payments to Family Members

We identified more than \$108,000 in cash payments made by a for-profit CPA to the owner’s family members in Calendar Year 2001. We questioned the allowability of nearly \$85,000 of these payments primarily due to a lack of documentation and failure to meet the reasonableness criteria in Title 48 Subpart 31.201-3, which states that the determination of reasonable costs depends on “whether it is the type of cost generally recognized as ordinary and necessary for the conduct of the contractor's business or the contract performance.” Specifically:

- We questioned more than \$55,000 in payments made to four family members for reported respite care services. The total cash payments made to each of these family members ranged from about \$8,800 to \$23,300 in Calendar Year 2001. The CPA did not provide us with original documentation detailing the total hours of respite care services provided, the dates of service, the names of the children, the location where respite care was provided, or the rate of pay for the services. We questioned these costs based upon sections from Title 48 Subpart 31 of the Code of Federal Regulations and state statutes. Section 26-4-603(19), C.R.S., defines respite care as:

Services of a short-term nature provided to a client, in the home or in a facility approved by the state department, in order to **temporarily relieve** the family or other home providers from the care and maintenance of such client. (Emphasis added.)

The Department noted that respite care payments typically amount to about \$20 monthly per child. However, we found that respite care payments made by this CPA to the owner’s family members significantly exceeded this monthly rate. For instance, payments to the owner’s daughter often ranged between \$1,500 and \$2,100 per month and were sometimes higher than the amount the certified foster

care provider received. Department staff indicated that such large payments for respite care services would be highly unusual.

- We questioned about \$30,000 in other payments by the CPA to family members in Calendar Year 2001. Nearly \$26,000 of these payments were made to the owner's spouse and son for reported loan repayments. The payments were questioned due to a lack of supporting documentation that the loans were in fact made to the CPA. Additionally, we questioned more than \$4,000 in payments to family members primarily due to a lack of supporting documentation showing that these payments related to the business operations.

Additionally, we questioned \$55,000 that was paid by another CPA to its related for-profit corporation. These funds were used by the related for-profit corporation to pay a dividend to a shareholder. The shareholder is a related party (i.e., mother of the CPA president). It should be noted that this figure was included in the \$370,000 in questioned costs for management fees discussed earlier.

## **Payments for Personal Purchases**

We identified nearly \$65,000 in credit card payments made by a for-profit CPA that appeared to be for personal use. We questioned the allowability of these payments primarily because of a lack of documentation to support that the purchases were business-related. Itemized receipts were not provided for most of the credit card purchases, which included vacation, food, clothing, beauty, and home improvement items.

Additionally, we identified nearly \$9,000 in ATM cash withdrawals from the CPA's bank account that do not appear to be business-related. These ATM transactions were withdrawn from automated machines located in casinos in Cripple Creek and Black Hawk. Further, we questioned the allowability of more than \$37,000 in payments made by this CPA for other types of expenditures, such as insurance on properties not used as office space paid for by the CPA, plumbing repair, and food items. We also questioned more than \$23,000 in costs incurred by one CPA for vehicle payments, insurance, repairs, and gasoline costs. No business-use logs were maintained by this CPA for the costs, and as a result, we could not determine if these costs were business-related.

In the case of two other CPAs, we found that about \$4,600 in payments were made to various restaurants and for an advertisement to sell a director's car. No documentation was provided substantiating the business nature of the food expenditures. OMB Circular A-122 states that "costs of amusement, diversion, social activities, ceremonials, and costs

relating thereto, such as meals, lodging, rentals, transportation, and gratuities are unallowable."

## Payments to Foster Care Providers

According to department regulations, foster care maintenance payments are intended to cover the "cost of providing food, clothing, shelter, daily supervision, school supplies, and reasonable travel to the child's home for visitation." Further, department regulations, the federal Social Security Act, and the Internal Revenue Code provide definitions of who qualifies to receive foster care maintenance payments. These definitions include:

- **Department regulations:** A child maintenance payment is required to be paid to all provider types where the child is in residence.
- **Federal Social Security Act:** Foster care maintenance payments may be made on behalf of a child in the foster family home of an individual.
- **Internal Revenue Code:** Any payment made pursuant to a foster care program and paid to the foster care provider for caring for a qualified foster individual in the foster care provider's home.

In Calendar Year 2001 one CPA paid more than \$150,000 in foster care maintenance payments to a foster care provider. According to the owner of this CPA and the foster care provider, these payments were made for children under this provider's care as well as for children in the care of two other certified foster care providers. This provider owned two homes where the other two providers resided during the year. According to the owner of the CPA, this provider requested that payments for all three homes be paid to him directly. This provider stated that he considers the other two providers to be his employees and he pays their housing costs as well as a wage for caring for the children in their homes.

According to internal documentation maintained by this CPA, about \$83,000 in payments to this provider were intended for children in the care of the other two providers. Department documentation further indicates that payments were made to the CPA for children in the care of these two other providers. We requested documentation substantiating that the provider receiving the maintenance payments was actually passing on monies to the two other providers. However, no documentation was provided. As a result, we concluded that the \$83,000 in payments paid to the one provider should have been paid directly to the other two providers.



On the basis of the definitions of foster care maintenance payments, we concluded that the \$83,000 in payments made to the one provider on behalf of the other two providers do not fit the definition of foster care maintenance payments, because the children in the care of these two providers did not reside with the provider who received the payments. Furthermore, we cannot substantiate that the provider who received the payments passed on the portion intended for the other two providers. Additionally, it should be noted that the one provider who received the payments for the other two providers acted as a subcontractor to the CPA but was not certified by the State. The standard state contract prohibits a CPA from entering "into any sub-contract without the express written approval of the Executive Director" of the Department of Human Services.

## **Payments to Employees and Contractors Questioned**

We questioned the allowability of about \$83,500 in payments made to CPAs' employees and contracted laborers for wages, bonuses, and reimbursements, which included:

- **Reimbursements of about \$31,000 paid by a nonprofit CPA to its director and clinical director** were questioned due to the lack of documentation substantiating that costs incurred related to the provision of foster care services, as required by OMB Circular A-122.
- **A bonus of \$25,000 was approved by a nonprofit CPA to its director** in Calendar Year 2001, despite the fact that the CPA's revenue decreased from the previous year and it operated at a significant loss in Calendar Year 2001. OMB Circular A-122 requires that when analyzing compensation paid to directors of nonprofit organizations, "determination should be made that such compensation is reasonable for the actual personal services rendered rather than a distribution of earnings in excess of costs."
- **Reimbursements of nearly \$14,000 paid by two nonprofit CPAs to their employees** were questioned due to the lack of documentation substantiating that costs incurred related to the provision of foster care services, as required by OMB Circular A-122. Additionally, we questioned gasoline reimbursements paid by one CPA to its case managers and therapists. These payments were made at a rate of \$50 per month per foster home supervised by the case manager or therapist. For instance, if a case manager or therapist supervised five homes in a month, this staff member would receive \$250 for gasoline reimbursements. The CPA did not establish a written policy on this reimbursement and the same amount is paid

regardless of the location of the foster home. No mileage or other documentation is tracked to substantiate the reasonableness of these expenditures. According to OMB Circular A-122, Attachment B, Subparagraph 55(b), travel “costs may be charged on an actual basis, or a per diem or mileage basis in lieu of actual costs incurred, or a combination of the two.” This CPA’s method of reimbursing case managers and therapists for mileage is based neither on actual cost nor on a per diem or mileage rate. As a result, we have questioned all \$4,400 in gasoline reimbursements paid to employees.

- **Payments of more than \$7,500 paid by one for-profit CPA for contracted labor** were questioned due to the lack of documentation substantiating that costs incurred related to the provision of foster care services, as required by OMB Circular A-122.
- **Payments of \$6,000 paid by one nonprofit CPA to a case manager** on behalf of a foster family for the purchase of a vehicle were questioned due to the applicability of the transaction to foster care. This CPA was withholding a portion of one of its foster care provider’s child maintenance payments and remitting that portion to one of its case managers for the purchase of a vehicle by the foster parent from the case manager. While the foster care provider in question agreed to the transaction, child maintenance payments are supposed to be used by the foster parent to maintain a foster child in the home. We do not believe it is ordinary or necessary for a CPA to be involved in private party transactions between one of its certified foster parents and one of its employees. As a result, we have questioned the \$6,000 paid to its case manager.

## Controls Over Financial Activities of CPAs

The foster care system needs adequate controls to protect the interests of children and to safeguard the State’s financial assets. The Department has been aware of the risks of misuses of foster care funds by CPAs for years. For instance, the 1998 Office of the State Auditor’s Division of Child Welfare Services audit stated:

It appears that as much as 65 percent of the total rate paid to CPAs for out-of-home placements may be used for administrative or other purposes beyond those related to the direct care and maintenance of the children in placement . . . Consideration should be given to the amount CPAs are retaining for administrative purposes and the amount being used for the direct care and maintenance of children in placement. At present, unlike many other publicly funded programs, there are no limits on what is spent or retained for administrative purposes. A

1997 review by the Department found that some CPA directors and their administrative staff receive more than \$100,000 in annual compensation while other directors receive no compensation.

Additionally, a series of newspaper articles was released in 2000 that identified numerous financial issues related to CPAs. Despite these reports of actual or potential misuse of foster care funds, we encountered a system seriously lacking effective controls.

**Department Audits:** Although the staff from the Division of Child Care conduct on-site visits of CPAs during each year, they do not review the financial activities of CPAs. These visits primarily consist of reviews of safety and licensing issues. Further, we found that the Department's Field Audits Division does not conduct any financial monitoring of the foster care program. We believe it is critical for the Department to conduct in-depth audits of the financial activities of CPAs. The Department should use its Field Audits Division as a key component of ensuring private child placement agencies spend taxpayer funds appropriately. Fields Audits:

. . . provides an external audit function for the Colorado Department of Human Services that independently verifies fiscal information. The primary responsibility of the unit is to ensure that those organizations receiving federal and state financial assistance have spent the funds in accordance with applicable laws and regulations . . . This function includes a sub-recipient [i.e., child placement agencies] monitoring component that meets federal mandates. . . Field Audits also provides protection for CDHS against fraud, abuse and federal sanctions. The statutory basis for the Field Audit Division is found in the Colorado Revised Statutes. . . Authority is also found in the Single Audit Act of 1984 (P.L. 98-502), the Single Audit Amendments of 1996, and OMB Circular A-21, A-87, A-102, A-110, A-122, and A-133.

The Department should develop and implement a risk-based approach to conduct comprehensive financial audits of a sample of CPAs over the next year. Following these initial audits, the Department should implement and establish an ongoing cycle to audit all CPAs.

**Desk Reviews of Audited Financial Statements:** Although CPAs are required to submit an annual independent audit to the Department each year, we found that the Department has not enforced this requirement. During our audit we requested the financial audit reports for the CPAs in our sample. The Department provided us with the audit report for only 1 of the 10 CPAs in our sample. Conducting desk reviews of the audited financial statements of CPAs can help Department staff to better identify unusual

expenditures that may represent misuses of foster care funds. A department regulation was changed effective February 2002 to now require CPAs to submit independent audits along with self-reported financial information to the Department. The Department's internal audit group plans to begin reviewing these reports and documents.

**Reasonableness Tests:** Because the Department does not conduct audits or desk reviews of financial transactions by CPAs, staff do not know if expenditures incurred by CPAs are reasonable. Some of the problems in our audit were identified using simple analytical review. For example, analyzing payments to foster care families in comparison to costs of therapy, case management, or overhead is a simple way to identify where problems may exist. The Department, however, compiles little information to allow it to check for exceptions and deviations. The Department should include these tests as part of its on-site audits and desk reviews.

**Follow-Up and Enforcement:** We found that the Department has not adequately followed up on concerns raised in the past. For instance, in May 2000 the Department attempted to identify how much money passed between a nonprofit CPA and its related for-profit corporation. However, due to the lack of information provided, the Department was unable to make this determination. A state inspection report dated May 11, 2000 recommended:

Better documentation of the agency's income and expenses needs to occur. At present, it is still difficult to ascertain how much of the agency's revenues revert to [the related for-profit corporation] as opposed to remaining within [the CPA] to meet the needs of foster families and children in care. This has been a major risk factor for this agency in the past. In order to ensure that this does not reoccur, ongoing fiscal accountability of this agency to its funding entities is crucial.

Although state licensing staff noted concerns regarding this CPA, we found that the Department has made no effort since the May 2000 review to determine how much money passes between the CPA and its related for-profit corporation and whether these payments relate to the provision of foster care and are reasonable. The Department needs to require this CPA to make all of its financial records available for inspection, including all records related to payments between this CPA and its related for-profit corporation.

The standard contract established between counties and CPAs includes a provision that permits the Department "to monitor the service program, fiscal books, and other records sufficiently to assure the purchases of services in the agreement are carried out for the benefit" of the foster care children. If this CPA refuses to provide these records, the Department should take immediate negative licensing actions against this CPA. Section 26-6-108(2), C.R.S., identifies several situations in which the Department can deny,

suspend, revoke or make probationary the license of a CPA as well as assess fines against the CPA. One of the criteria in which negative licensing actions can be taken and fines assessed is failure or refusal by the CPA “to submit to an investigation or inspection by the Department or to admit authorized representatives of the Department at any reasonable time for the purpose of investigation or inspection.”

To date, the Department has not identified any questioned costs at any of the 61 CPAs. We believe the Department should work with the appropriate federal and county organizations to recover all of the misused funds by CPAs in our sample. The standard contract established between county departments of human/social services and CPAs states:

Incorrect payments to the contractor due to omission, error, fraud, or misuse of funds shall be recovered from the Contractor either by deduction from subsequent payments under this contract or other contracts between the County and the Contractor or by the County, as a debt due to both the State of Colorado, Colorado Department of Human Services, and the County.

Further, to date, there have been no sanctions imposed on CPAs for misuses of public funds. According to management, the Department does not have the statutory authority to impose sanctions for misuse of funds. The Department’s regulations state that a licensed CPA “may be fined up to \$100 a day to a maximum of \$10,000 for each violation of the Child Care Licensing Act or for any statutory grounds as listed at Section 26-6-108(2), C.R.S.” This statutory provision identifies a number of circumstances in which the Department “may deny, suspend, revoke or make probationary” the CPA’s license or assess a fee against the CPA. As stated in this section, the Department is authorized to take actions against a CPA for violations such as consistently failing to maintain standards prescribed and published by the Department or furnishing or making any misleading or false statements or reports to the Department. We believe the Department needs to seek statutory authority to impose fiscal sanctions for misuse of foster care funds.

(CFDA No. 93.658; Foster Care: Title IV-E; Activities Allowed or Unallowed, Subrecipient Monitoring.)

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### **Recommendation No. 65:**

The Department of Human Services should ensure that all child placement agencies providing foster care services are meeting state and federal requirements related to how public foster care funds can be spent. To accomplish this, the Department should:

- a. Propose statutory changes to authorize the Department to impose fiscal sanctions against child placement agencies for misuse of funds.
- b. Develop and implement a plan to audit a sample of child placement agencies within the next year. The Department should use a risk-based approach when selecting the sample of child placement agencies. The Department should report the results of these financial reviews to the Senate Health, Environment, Children and Families Committee and the House Health, Environment, Welfare and Institutions Committee by December 31, 2003. Following these initial audits, the Department should develop and implement a plan to audit child placement agencies on an ongoing cycle.
- c. Enforce requirements that child placement agencies submit audited financial statements on an annual basis. The Department should review and analyze these financial statements and follow up with child placement agencies on any questionable expenditures.
- d. Provide technical assistance and training to child placement agencies on the proper uses of foster care funds.
- e. Work with the U.S. Department of Health and Human Services administrators to identify and recover all federal unallowable costs incurred by child placement agencies in our sample.
- f. Work with the county departments to determine whether the findings set forth in this report constitute a breach of their contracts, and if so, seek appropriate remedies.
- g. Assist county departments in seeking recovery of misspent funds by providing administrative and technical support as needed.

### **Department of Human Services Response:**

Partially agree. Implementation: December 31, 2003. The Department will propose the statutory changes recommended. The Department will also develop and implement a plan to audit a sample of child placement agencies based on risk in the next year and will report the results of the review as outlined. The Department will also develop and implement a plan to audit a sample of CPAs on an ongoing basis. The Department will enforce requirements that child placement agencies submit audited financial statement and will provide technical assistance

and training on the proper uses of foster care funds. The Department will work with the federal Department of Health and Human Services as well as county departments in the recovery of unallowable costs.

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## Rate-Setting Approach

Rates paid by counties to child placement agencies vary significantly. Colorado statutes give county departments of human/social services the authority to negotiate monthly rates paid to CPAs. In 1997 the Colorado General Assembly modified the ways counties set foster care maintenance rates. Senate Bill 97-218 established provisions allowing counties to:

Negotiate rates, services, and outcomes with providers if the county has a request for proposal process in effect for soliciting bids from providers or another mechanism for evaluating the rates, services, and outcomes that it is negotiating with such providers that is acceptable to the state department [of human services].

Prior to the passage of the Bill, the Department was responsible for setting maximum rates for foster care. When comparing the 1996 foster care child maintenance rates established by the Department with the rates currently set by counties, we found that, in general, the current county rates are higher than the Department's 1996 foster care rates.

The total monthly payment to CPAs for children in their care is based upon four rate components, which include:

- **Child Maintenance** is a reimbursement to cover the cost of maintaining a child in foster care, including a difficulty-of-care component for children who require increased supervision. Counties often determine these rates using standardized assessment tools. One of the most common tools used by counties is the Needs Based Care (NBC) instrument. This tool was created by the Northern Consortium of Counties as a mechanism for counties to negotiate rates with child placement agencies. County staff use this tool to identify how difficult it will be for providers to care for the child and, based upon this information, assign a level of care for the child, often ranging from 0 to 3. Each level of care corresponds with a monthly child maintenance rate.
- **Administrative Maintenance** covers general and administrative overhead, and case management services provided to children in foster care. Some counties

establish their own rates for this component. In our sample of seven counties, we found that five counties set their own administrative rates. Often, these counties either develop these rates based upon the results of the standardized assessment tool or establish flat rates to pay to CPAs for all children, despite their difficulty-of-care results. Counties that do not establish their own rates use the state-determined rates for this component, often referred to as the “anchor rates.” In our sample of seven counties, we found that two counties use the state-determined anchor rates. Anchor rates are developed for each individual child placement agency licensed by the Department. The Department sets these rates based upon cost estimate reports prepared by CPAs applying for a license. These reports include personnel, office space, transportation, and other administrative costs that the CPA anticipates will be incurred when providing foster care services. Department staff use these cost estimates to determine the monthly administrative maintenance and services rates. According to department staff, approximately 90 percent of the anchor rates in the Trails system were established prior to 1997. These anchor rates have not been adjusted since early 1997.

- **Administrative Services** covers social services-type functions including therapeutic, recreational, and educational staff. These rates are established in the same way as administrative maintenance rates.
- **Respite** covers costs associated with the temporary supervision of foster care children. The State has set the monthly compensation rate for each child at \$20.

## CPA Rates Adjustments

We identified a number of problems with the rate-setting approaches used by the Department and counties to set administrative rates paid to CPAs. Specifically, the counties that set their own administrative rates do not base the rates on any type of cost analysis. For instance, one county merely requested that CPAs provide staff with the rate that would sufficiently cover their administrative costs. The county did not require the CPAs to provide documentation to support the rate request. Using the CPAs’ requests, this county set a flat administrative rate to pay its CPAs. Another county reported that it requests from the CPA a summary of its costs. According to county staff, CPAs provide this summary informally over the phone, and no documentation is provided to the county to substantiate the costs reported by the CPAs.

By not setting their administrative rates based upon CPAs’ individual cost experiences, counties may over or under compensate CPAs for their services. For instance, we questioned more than \$420,000 in costs paid to a CPA in Calendar Year 2001. We



found that this CPA paid its foster parents high monthly maintenance payments, often passing on the entire maintenance amount paid by the county to the foster parents. After paying its foster parents, this CPA had enough foster care funds remaining to pay mortgages on various properties, disburse money to the owner's family members, and purchase personal items. This CPA was paid nearly \$430,000 in administrative cost reimbursements in Calendar Year 2001. However, we determined that this CPA incurred administrative costs for the year of approximately \$80,000, which included employee salaries, rental costs, and office supplies. Most of the counties that contracted with this CPA set their own administrative rates. Because these counties did not consider actual cost experiences related to foster care services, they did not account for the minimal administrative costs needed to operate this CPA.

Additionally, we found that had all the counties that contracted with this CPA in Calendar Year 2001 used the state-determined anchor rates, they would have paid this CPA more than \$815,000 for administrative costs. One of the main problems with how the Department establishes anchor rates is that these rates are based upon each CPA's estimates of cost and caseloads at the time they are licensed by the State. The Department does not modify these rates after the CPA has begun its operations to better reflect the cost experiences and caseloads of the CPA. As we mentioned earlier, the vast majority of anchor rates entered in Trails were established more than five years ago.

It is essential that the Department and the counties reevaluate their methods for establishing administrative rates paid to child placement agencies. Administrative costs will vary from agency to agency, depending on the size of the organization and the range of services provided. Our review of the financial activities of a small sample of child placement agencies indicates that by not basing child placement agency rates on the cost experiences of the agencies, counties are paying some CPAs more than is needed to provide foster care services and are inappropriately using taxpayer dollars. Options for modifying the rate-setting approach include:

- **Establishing capped administrative rates for all CPAs at a reasonable percentage based upon analysis of cost data.** The Department would need first to collect and evaluate information related to the cost experiences of CPAs. Using this information, the Department could then determine a reasonable percentage that would allow CPAs to effectively and efficiently provide foster care services. Upon implementation of capped administrative rates, the Department would need to monitor the financial activities of CPAs to ensure that administrative costs are not exceeding the capped amount. If CPAs exceed the maximum amount allowed, the Department would need to take actions to recover the unallowed administrative expenditures.

- **Establishing statewide ranges of allowable administrative rates paid to child placement agencies.** Rather than capping administrative costs at a specified percentage, the Department could determine ranges of reasonable administrative rates that could be used by CPAs. To determine these ranges, the Department would need to conduct cost analyses of CPAs in the State.
- **Maintaining the current system of individualized rates for each CPA but centralizing the cost analysis to ensure reasonableness.** Under this model, the Department would need to conduct analyses of cost experiences of CPAs at least every two years and compare the results with how much counties are paying CPAs for administrative costs. The Department would need to be given authority to require counties that have set their administrative rates for a CPA too high to lower their rates to a reasonable amount, as determined through the cost analyses. Further, the Department would need to share the results of these cost analyses with counties so that they can use this information to make future decisions on administrative rates.

(CFDA No. 93.658; Foster Care: Title IV-E; Allowable Costs/Cost Principles.)

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## **Recommendation No. 66:**

The Department of Human Services should ensure that counties pay child placement agencies a reasonable level of compensation based upon their individual cost experiences. This should include:

- a. Modifying the rate-setting approaches used by the Department and counties. This may include capping administrative costs incurred by child placement agencies, establishing statewide ranges of allowable administrative rates paid to child placement agencies, or maintaining the current system but enhancing the rate-setting procedures. Depending on how the rate-setting structure is changed, the Department may need to propose statutory changes that would reassign some of the rate-setting responsibilities with the Department, particularly the setting of administrative rates.
- b. Collecting and analyzing information on licensed child placement agencies' cost experiences at least every two years and ensuring that administrative rates set by the Department and counties reflect these cost experiences. The Department should share its CPA cost analyses with all counties in the State. Further, if the rates are higher or lower than a CPA's administrative costs, the Department should adjust the rates.

- c. Reviewing counties' methodologies for establishing administrative rates at least every two years to determine if they accurately reflect the cost experiences of CPAs. If the Department identifies counties that have set their administrative rates too high or too low, the Department should assist these counties in adjusting these rates to accurately reflect the costs of the CPAs.

### **Department of Human Services Response:**

Partially agree. Implementation: July 1, 2003. With respect to (a), the Department disagrees with setting administrative caps or reassigning rate-setting to the Department. With the passage of SB 97-218 which capped the child welfare allocation, counties were given the ability to negotiate their rates in order to better control their costs. Regarding (b) the Department agrees to improve rate-setting by analyzing cost information and providing the results of the analysis to county departments. Additionally the Department will adjust the administrative rate in the system to be more aligned with the cost reports. The Department also agrees to review counties' methodologies for setting rates and as a result of the review will communicate either approval or denial of the rate-setting methodology.

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## **Federal Title IV-E Reimbursements**

We identified several instances where the Department failed to claim all of the federal Title IV-E funds available to the State. First, we found that the Department did not always correctly categorize child placement agencies' business designation (nonprofit vs. for-profit). The Division of Child Care is responsible for entering a child placement agency's business designation into Trails. We identified 23 nonprofit CPAs that were erroneously classified as for-profit agencies for all or a portion of Calendar Year 2001. According to department staff, the Division of Child Care has not verified the accuracy of the business classifications of CPAs as recorded in its automated systems for several years. The Department will not claim federal Title IV-E reimbursements for IV-E eligible children placed with CPAs classified as for-profit in Trails. This means that if the Department incorrectly classifies a nonprofit CPA as a for-profit, then the Department will not receive federal reimbursements on the child and administrative maintenance payments for IV-E eligible children in the care of the CPA. We estimate the State lost nearly \$1.2 million in federal IV-E child and administrative maintenance reimbursements as a result of incorrectly classifying nonprofit agencies as for-profit. However, it should be noted that we identified a few instances where for-profit CPAs were incorrectly classified as nonprofits, and we estimate that nearly \$150,000 in ineligible Title IV-E federal reimbursements were claimed.

The Department needs to review these business classifications periodically to verify that they are correct.

Second, we found that counties are placing IV-E eligible children in for-profit CPAs. As mentioned earlier, the State cannot claim Title IV-E reimbursements for the child and administrative maintenance payments made to for-profit child placement agencies. We estimate that the State lost more than \$1.4 million in federal foster care maintenance reimbursements due to placing IV-E eligible children through for-profit CPAs. The Department should work with representatives from the U.S. Department of Health and Human Services to determine why states cannot receive IV-E reimbursement for children placed with for-profit CPAs and whether any flexibility in this requirement exists. Additionally, the Department should evaluate the costs and benefits of requiring CPAs to be nonprofit organizations and propose changes in statutes and regulations, as necessary.

Finally, we found that many counties are not properly entering foster care rates into Trails. As mentioned earlier, county payments to CPAs comprise four rate components: (1) child maintenance, (2) administrative maintenance, (3) administrative services, and (4) respite care. The Department uses the child maintenance and administrative maintenance components to determine the amount to claim for Title IV-E reimbursements. We identified 8 instances in a sample of 15 where the county-negotiated CPA rate components did not match the information reported in Trails. The Department requires the counties to make adjustments to rates in Trails based on the counties' negotiated rates with CPAs. If the counties do not adjust these rates, then the child maintenance amount will default to a lower level.

From analysis of Trails payment data, we found that many counties are not adjusting the child and administrative maintenance components to reflect the higher negotiated rate. As a result, the difference between the negotiated child maintenance rate and the rate entered into this component in Trails is being classified under the administrative services component. This means that the child maintenance rate claimed through the Title IV-E program for children eligible under this program is lower than it should be, and the administrative services rate component is being overstated. Costs classified under the administrative services component are funded partially through the Social Services (Title XX) Block Grant. Overstating administrative services draws funding away from other Title XX-funded programs. We were unable to determine the total amount of Title IV-E funds that the State did not claim as a result of these errors because we could not obtain all of the data needed to make this determination. We found that county staff are confused about the appropriate adjustments required in Trails for the rate components. Further, some county staff were unclear on which rate component should be used to categorize various CPA rates. County staff reported that they have not received training on how to properly enter rates into Trails.

State statutes emphasize the importance of accessing all available Title IV-E funds. According to Section 26-1-109(4.5), C.R.S., the Department shall “undertake necessary measures to obtain increased federal reimbursement moneys available under the Title IV-E program.” As a result, it is essential that the Department take the necessary actions to ensure that all available Title IV-E funds are claimed by the State in the future. Further, the Department should submit retroactive requests for all federal Title IV-E reimbursements that were not claimed within the last two years. According to federal regulations, claims for reimbursements can be submitted to the federal government up to two years after the costs are incurred.

(CFDA No. 93.658; Foster Care: Title IV-E; Allowable Costs/Cost Principles.)

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### **Recommendation No. 67:**

The Department of Human Services should ensure it submits reimbursement claims that include all federal Title IV-E funds available to the State. To accomplish this, the Department should:

- a. Work with counties to identify all Title IV-E costs eligible for federal reimbursement that were not claimed within the last two years. Upon identifying these costs, the Department should immediately submit a retroactive request to the federal government claiming reimbursements for these costs.
- b. Verify that business classifications (nonprofit vs. for-profit) of all child placement agencies are properly entered into Trails. The Department should review the information in Trails biannually to ensure that it is accurate.

### **Department of Human Services Response:**

Agree. Implementation: January 1, 2003. The Department will continue to work with counties to assure that eligible IV-E costs are retroactively claimed as appropriate. The Department will also review information in Trails to assure that providers’ business classifications are accurate.

### **Recommendation No. 68:**

The Department of Human Services should ensure that counties’ placement and data entry processes result in the Department’s accessing all of the federal Title IV-E funds available to the State by:

- a. Working with representatives from the U.S. Department of Health and Human Services to determine why states cannot receive Title IV-E reimbursements for children placed with for-profit CPAs and whether any flexibility in this requirement exists.
- b. Evaluating the costs and benefits of requiring CPAs to be nonprofit organizations and proposing changes to statutes or regulations, as necessary.
- c. Issuing a written policy to all counties in the State that details how counties should enter foster care rates into Trails. In addition, the Department should provide technical assistance and training to counties on how to enter rates into Trails and monitor how counties are entering rates into Trails on an annual basis.

### **Department of Human Services Response:**

Partially agree. Implementation: January 1, 2003. The Department agrees to work with Federal Representatives to determine if flexibility exists in claiming IV-E for for-profit CPAs. The Department will continue to provide technical assistance and training to counties on entering rates into Trails appropriately. The Department agrees to evaluate the role that for-profit CPAs fulfill in the public Child Welfare System.

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## **Colorado Trails Information System**

The Colorado Trails system was implemented in 2001 to meet new federal reporting requirements for children in adoption and foster care. With respect to State Child Welfare programs, the Colorado Trails system includes Adoption and Foster Care, the Central Registry of Child Protection, and licensing and certification of child care providers. Payments to providers including foster care homes, residential treatment centers, adoptive parents, and child care providers are made through Trails on behalf of children in these Child Welfare programs. Trails is part of an integrated data system within DHS with interfaces to the State's eligibility system for public assistance and Medicaid programs, as well as various other information systems. Trails also interfaces with the County Financial Management System (CFMS), which links county financial systems to the State's financial system, COFRS.

The following comments were prepared by the public accounting firm of Ernst & Young LLP, who performed audit work at the Department of Human Services. The comments were contained in the *Colorado Department of Human Services, Colorado Trails System Performance Audit*, Report No. 1456, dated November 2002.

## Data Integrity

In order for any system to be effective, the user must be able to rely on the data integrity of the information maintained within that system. For example, the system should be able to accurately calculate amounts such as payments and create reports based on the data within the system. The main concern with Trails is the lack of data integrity of the system. The problems with data integrity impact a number of the other areas discussed in this report, such as fiscal issues and system reports. The findings below document the current data integrity issues.

### Duplication of Records

Trails is a sensitive application requiring users to enter information according to exact specifications. Additional controls need to be in place to identify or prevent errors. When errors are inadvertently made, they are processed through the system and affect case information and reporting. The major concern regarding data integrity is the duplication of clients and providers within Trails.

In order for the system to process data correctly and produce accurate reports, each client and provider should only be entered once. County workers can use Trails' search engine to check for existing records to see if the client or provider is already in the system. The search engine contains features to aid in the search, such as "Soundex" and "Starts With". The "Soundex" feature will look for names that sound similar to the name entered. The "Starts With" feature will look for names beginning with the same letters as the name entered. These features are intended to help the user determine if the record already exists, even if the user misspells the name.

However, we found that unless thorough search processes are performed, inaccurate results are produced. For instance, if users attempt to search for a client using the full last name and the "Starts With" feature, they will probably find no match. If they use the first 3 to 5 letters of the last name and the "Starts With" feature, they will obtain a list of possible matches. The "Starts With" feature is a newer addition to the search engine; users are not familiar with how it works since earlier training session did not cover this feature.

The training center has established step-by-step procedures for conducting a thorough search, including searching other state systems. This search process can be time consuming, and therefore many users do not perform a complete search.

In the case of providers, Trails provides an additional control over provider searches by automatically listing possible duplications before a provider is added to the system.

However, we found that many of the county users were not familiar with the process and do not understand some of the system messages intended to prevent duplication of provider records. This prevents the control from operating effectively.

Although the search capability of Trails was intended to prevent or minimize duplication of clients, the application does not force users to perform a search, therefore users can add new clients or providers without considering information already entered. During our review, we found that most counties we visited had an extensive number of duplicated clients and providers in the system. While no definite number of duplicates on the system could be obtained, based on conversations with the counties, there are a significant number of duplications within the system. There is currently no process in place to identify possible duplicate records, once they have been entered.

Counties usually identify duplicates during processing of the case, for example, when payment problems occur, when creating reports or when applying for Medicaid on behalf of a client. In order to merge or combine the duplicate records, counties must identify all possible duplicates for that client or provider and combine the information from each duplicate record into one record. This process is time consuming, taking anywhere from 15 minutes to hours. Duplicate records are primarily the result of inadequate search engine capabilities and inconsistent search processes and techniques used by Trails users.

We also identified weaknesses in application input controls that add to the problem of duplicate records. According to application design documents, Trails is designed with controls to prevent the entry of duplicate social security numbers or state ID numbers and to disallow non-alpha characters in names.

We attempted to input incorrect data on the Trails test environment using the Trails design document and our understanding of the established input controls. Based on our basic tests, we noted the following:

- C We were able to assign the duplicate social security numbers.
- C We were able to assign social security numbers using only 9's or 0's or 1's (e.g., 999-99-999). Social security numbers must contain more than one numeric character.
- C We were able to input a client name using only punctuation marks (!...#%&) or with numbers.

Duplicate records can have a significant negative impact on clients and providers, including the delay of timely treatment for clients and incorrect payments to providers. Duplicate



records also raise information integrity issues because it may be unclear as to which record is the official record in the case of court proceedings.

(CFDA Nos. 93.658, 93.659; Foster Care: Title IV-E and Adoption Assistance; Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Reporting.)

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### **Recommendation No. 69:**

The Department of Human Services should eliminate duplicate records within Trails and enhance input controls by:

- a. Performing regular search processes to identify possible duplicate records within the system, communicating results of these searches to the counties, and developing procedures to ensure that corrections of duplicate records are made timely.
- b. Providing training to counties regarding the process of communicating duplication errors to the State for correction and providing training to county information systems staff in order that county staff can perform consolidation or merges of duplicate records.
- c. Following up with counties to ensure counties are actively resolving duplications, either by notifying the Department of duplicate records or by correcting duplicate records at the county level.
- d. Implementing an outlined, specific methodology for county staff to use during the search process. County staff should be trained on this methodology and the importance of doing the process thoroughly.
- e. Enhancing the system's search engine to better recognize similar spelling and shortened names.
- f. Implementing detection controls, such as not allowing duplicate Social Security Numbers or State Ids.
- g. Establishing a process where referral information without a valid social security number would be considered a temporary record and would be excluded from certain reports and processing.

## **Department of Human Services Response:**

Partially Agree.

- a. A reporting process to identify possible duplications within Trails has been in place since January 2002. This process is run bi-weekly and reviewed by the Trails staff. Clients within Trails are not county specific. We will modify the report to identify which counties have added the client to a referral, assessment or case. The Department will complete the above change and begin distributing the report on a weekly basis to the counties beginning February 2003.
  - b. A process has been in place since the completion of the rollout of Trails in May 2001 to eliminate duplicate records in Trails. Additionally, enhancements are being made to Trails to identify potential duplicate records to the users before a client record is added to the system. These enhancements are scheduled to be completed by March 2003.
  - c. Training has been made available on a limited basis to counties interested in doing their own merges. We will expand this process to all other counties by June 2003.
  - d. This training has been available to the counties since the implementation of Trails. Additionally, user desk guides have been provided to Trails users that outline the search methodology.
  - e. Enhancements were identified for the search engine. These have been presented to the state and county user groups for prioritization at the July 2002 meeting.
  - f. Enhancements for additional detection controls will be presented to the state and county user groups for prioritization at the January 2003 meeting.
  - g. At the referral stage, limited information may be known for a client. It is important to track referrals and assessments through the system from the very beginning to ensure that the child is properly protected and for the system to comply with state and federal regulations. However, a design review of when a client should be added to the centralized client database will be conducted. The results will be presented to the state and county Trails user groups for review and prioritization in February 2003.
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## **Fiscal Issues**

Trails contains a fiscal module that periodically creates a file containing provider payment information. This information is uploaded into the County Financial Management System (CFMS), which results in payments being issued to providers in the form of electronic fund transfers. The payment file generated from Trails is referred to as the provider payroll. Provider payrolls are created based on service dates, rates, and child placement information entered into Trails by county workers.

Counties run a trial provider payroll on an “as needed” basis and review payments for accuracy based on invoices and prior remittances to providers. The counties will make corrections to the payroll based on these reviews. Corrections must be posted before the payroll is run. Provider payroll is automatically processed through an interface with CFMS, and providers are paid on the 15<sup>th</sup> of each month.

Currently, Trails pays primarily for providers in the foster care, kinship placements, residential treatment centers, and subsidized adoption programs. Plans are in place to pay all other CORE services, such as mental health treatment, therapy and daycare through Trails.

The counties have encountered numerous problems when processing provider payrolls through Trails. These include improper provider payments, changes in funding source codes, provider rate changes, provider name changes, child name changes, service date changes, and most notably, interface issues with the CFMS system.

### **CFMS Interface with Trails**

Trails can create credits and debits through the provider payroll process in order to adjust for the length of time that a child has been placed with the provider or other factors. The current process matches provider information from Trails to CFMS by provider name and tax ID number or social security number. If a match is not found within CFMS for both the provider name and tax ID number or social security number, CFMS will create a new vendor record and process the payment. In cases where the provider name has changed, this can cause outstanding credits within the CFMS system that are not associated with the previous provider name.

For example, if a provider has an outstanding credit, or overpayment of \$100 within CFMS, this amount should be deducted from the provider’s next payment. However, if that provider’s name was changed within Trails (e.g., through marriage or an organization name change), CFMS will not be able to match both the provider name and tax ID or social security number. Therefore, CFMS will issue the payment under a new vendor

number, causing the provider under the new name to be paid the full amount without deducting the outstanding credit of \$100 under the previous name.

This situation is further compounded by the fact that previous payments are sometimes “taken back” from providers when their names are changed within Trails, or in adoption cases when the child’s name changes. CFMS holds all the fiscal history, including payment information, for each vendor or provider. When a provider’s or a child’s name is changed within Trails, CFMS treats the past payments under the previous provider name as an error and creates a credit in both CFMS and the Trails system for the past payment amounts. CFMS will then pay the provider under the new name for the amounts previously paid under the old provider name, thereby causing the provider under the new name to be overpaid. For example, in one case we noted, a county worker changed the provider’s name from the wife’s name to the husband’s name. The worker typed the new name and social security number over the previous provider’s information screen. This caused CFMS to issue a credit against all the funds previously paid under the wife’s name, in effect taking back all previously issued payments under the wife’s name. The prior payments were then paid again under the husband’s name. In other words, the husband was paid for both the current period and all of the past periods. The Department reports that it pays out approximately \$13.5 million dollars each month to providers throughout the State. The Department has calculated as of July, credits held with CFMS indicate that providers owe the DHS \$650,000 for inaccurate payments.

In March 2002, DHS developed procedures instructing counties to use the “Unpaid AP Invoices Detail” report generated by CFMS to identify outstanding credits and possible duplicate providers within CFMS. The Department relies on the counties to provide instructions as to which providers within CFMS should be consolidated. DHS will then perform the consolidation of those duplicate providers within CFMS.

Per the Department, approximately 400 duplicate provider records have been identified and corrected to date.

In addition to the interface problems, we noted that controls over provider payments need to be enhanced. Currently CFMS does not have a range check to identify unusual or large payment amounts. This means that any amount requested through Trails for payment can potentially be paid. CFMS or Trails should have controls or reports that will identify excessive payments to an individual provider. Payments over established limits should be suspended until county workers confirm that the amount is accurate. County workers should review these over the limit reports in order to identify significant variances, and investigate and resolve these variances prior to issuing provider payments. These enhancements will help prevent potential overpayments.

The interface problems between Trails and CFMS and the lack of adequate controls present the potential for fraud, abuse, and irregularities to occur within the Child Welfare program. The Department should address these concerns as soon as possible.

(CFDA Nos. 93.658, 93.659; Foster Care: Title IV-E and Adoption Assistance; Activities Allowed or Unallowed, Allowable Costs/Cost Principles.)

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### **Recommendation No. 70:**

The Department of Human Services should take immediate steps to investigate and resolve the \$650,000 in outstanding credits within CFMS and recover all overpayments. In addition, the Department should test a sample of provider payments made through Trails and CFMS to determine the accuracy and validity of payments issued on the basis of Trails data. All exceptions identified should be investigated and resolved. The results should be evaluated to determine the need for more extensive testing of provider payments.

### **Department of Human Services Response:**

Agree. The Department agrees that it is important to recover the overpayments. As these issues have been identified, the Department has worked and continues to work with the counties to resolve them. As of October 2002, the total amount outstanding had been reduced to \$592,000. Additionally, Trails generates on average \$13,600,000 in payments a month. During the same period generating the \$650,000 in overpayments (June 2001 to July 2002), Trails generated \$191,000,000 in payments, or in other words, the overpayments represent less than one-half of 1 percent (0.3 percent) of the total payments paid out for the period.

Existing county and state reports are available through CFMS and Trails and provide the necessary information needed to identify and resolve provider payment problems. We continue to work with the counties to determine the accuracy and validity of their payments. A number of the services recorded in Trails have been evaluated against what was paid through CFMS. These payments proved to be accurate and valid.

The Department recognizes that accurate payments to providers are critical. Prior to any release of Trails, extensive testing is conducted within the fiscal area to ensure that the provider payments are being generated accurately. Implementation date: June 2003.

## **Recommendation No. 71:**

The Department of Human Services should address interface problems between Trails and the CFMS and improve controls over provider payments by:

- a. Implementing modifications to correct provider matching between the two systems. Provider information should be matched using one unique identifier such as the tax ID number or social security number.
- b. Working with counties to establish provider limits that would be included on the trial payroll, allowing counties to identify excessive payments prior to the final payroll process.
- c. Creating standard reconciliation processes to reconcile payments calculated from Trails to payments disbursed by CFMS. Procedures should include collection of any overpayments. Both the counties and the Department should be involved in the reconciliation and collection process.

## **Department of Human Services Response:**

Partially Agree.

- a. A change was made in both CFMS and Trails in September 2002 to address this issue. The results of the changes have been effective and are operating as prescribed. 193 duplicate provider records remain to be corrected and work continues on correcting them.
  - b. This recommendation will be presented to the County Trails User Group at their February 2003 meeting for consideration and prioritization for a modification within Trails.
  - c. CDHS accounting staff currently reconcile Trails payments to the CFMS general ledger. The Trails payment reconciliation was expanded to include reconciling Trails payroll amounts to Citicorp beginning with the July 2002 period. CDHS will make available to all counties completed reconciliation support via e-mail. According to Volume 7 rules, the counties are responsible for the collection process. CDHS has and will continue to assist the counties with this process.
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## Funding Source Changes

The funding source code associated with each service a client receives indicates the parties responsible for funding the provider payments: the county, state, or federal government. Within Trails the default code is “WRI” (without regard to income), which indicates the state and county are responsible for the provider payment; these cases are nonreimbursable by the federal government. For cases with “IV-E” funding source coding, the services qualify under the federal Foster Care program and the federal government will reimburse a percentage of the cost. County fiscal workers check the trial provider payroll to ensure that the correct funding source code is applied to each service prior to processing the final provider payroll.

In some instances, the funding source code in Trails is erroneously changed by the system from IV-E to WRI during the final payroll process. When this occurs, counties must undergo a lengthy investigation and a time-consuming request process by completing the State Administrative Adjustment (SAA) request form to receive the correct reimbursements. These changes to funding source codes appear to be caused by early problems with how Trails was reading funding source information. Under the legacy CWEST application, which was a client-based system, each client could only be associated with one funding source code. Within Trails, which is a case-based system, each client can have multiple funding source codes based on the number of services the client is receiving. In other words, in Trails eligibility workers can assign different funding codes according to the different services the client receives, rather than by client. In order to ensure that the correct funding source code is used for the provider payroll, Trails performs a selection process based on a pre-determined code hierarchy.

Prior to May 2001, Trails was incorrectly reading this funding source code hierarchy for cases converted from the CWEST system. This caused unintended funding source code changes to occur during the provider payroll process. A modification addressing this problem was installed in May 2001, which remedied these types of errors. However, for existing cases as of May 2001, the modification was activated only when a change was made to some aspect of the case, for example, if a child was placed with a different provider or the provider’s payment rate was changed. There are a number of cases that existed prior to the modification in May 2001 that have not had any change made to them. When a change is finally made to one of these older cases, the May 2001 modification should initiate and make the necessary corrections to the current service codes only. However, we noted that when a case has an IV-E funding source code, Trails is incorrectly reversing the source codes back to the conversion date, instead of just correcting the current codes.

Inaccurate funding source codes result in provider payments being funded by the wrong source of funds. For example, if a case is erroneously coded WRI, the county and state will pay for services that should be funded at least in part by the federal government. Similarly, if a case is erroneously coded as IV-E, the federal government is improperly charged, which would result in disallowed costs to the State.

(CFDA Nos. 93.658, 93.659; Foster Care: Title IV-E and Adoption Assistance; Activities Allowed or Unallowed, Allowable Costs/Cost Principles.)

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### **Recommendation No. 72:**

The Department of Human Services should ensure that funding source codes are accurate in the Trails system by:

- a. Implementing a system modification to prevent IV-E codes from being incorrectly reversed. Modifications to correct the problem should be tested to help ensure correct funding codes are not adversely affected.
- b. Requiring that counties submit funding source codes adjustment forms for all errors identified and following up on all such requests in a timely manner.
- c. Providing training to all fiscal staff and caseworkers to ensure counties are appropriately entering funding source codes. Training should use “real” life examples and include time for feedback and questions.

### **Department of Human Services Response:**

Partially Agree.

- a. A system modification was implemented and the Department believes this issue has been resolved. The Department will continue to research and respond to any future report of problems in this area. Regression testing of Trails is part of the standard process of the Department. Additionally, we have invited counties to participate in the regression testing prior to a release of Trails to ensure that existing functionality is not impacted by the changes being implemented. This was instituted in December 2001.
- b. The State Administrative Adjustment (SAA) process through CFMS has been in place since the rollout of Trails. Counties have the responsibility to complete



SAAAs through an online form in CFMS when an automated entitlement change cannot be made through Trails. This is not a form maintained in the services record. The CFMS entry is maintained online until processed. Once processed, the entitlement change can be verified by reviewing the child fiscal history report in Trails.

- c. The Trails training group has been offering a Fiscal specialty training course and an Exploring Fiscal workshop every month since October 2001.

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## **Provider Payroll Suspensions**

County fiscal workers have the ability to suspend provider payments. However, if a caseworker goes into the case while a payment is in suspense and makes any changes to the record, the payment will be automatically be approved, thus invalidating the suspended status. This can cause invalid payments to be issued to providers.

(CFDA Nos. 93.658, 93.659; Foster Care: Title IV-E and Adoption Assistance; Activities Allowed or Unallowed, Allowable Costs/Cost Principles.)

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### **Recommendation No. 73:**

The Department of Human Services should enhance the Trails system so that changes made by caseworkers do not cause a suspended provider payment to be inadvertently approved.

#### **Department of Human Services Response:**

Agree. Original design of Trails called for all payments to default to unapproved versus approved. The county fiscal worker would then approve the payments for the payroll processing. However, input from state and county users indicated that it would be more efficient for the county fiscal worker if they only had to identify the payments not to be paid. Therefore, the default for payments was changed to approved. A modification request for the above recommendation was submitted in July 2002 to the state and county Trails user groups and is being prioritized by these groups.

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## Improper Provider Payments

During our review we noted several instances where provider payments were incorrect or duplicated, and the cause for the problem had not yet been determined. In one example, we noted a provider placement was end-dated in November 2001, yet the provider was still receiving payments. The county opened a helpdesk ticket, but the exact problem has not been identified. In another case, a provider was receiving a duplicate payment under one service code. Again, it was unclear what caused this situation.

(CFDA Nos. 93.658, 93.659; Foster Care: Title IV-E and Adoption Assistance; Activities Allowed or Unallowed, Allowable Costs/Cost Principles.)

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### Recommendation No. 74:

The Department of Human Services should ensure system problems with provider payments in Trails are addressed by:

- a. Requiring that staff report all instances of improper payments to the Trails helpdesk.
- b. Requiring that the helpdesk notify all counties when system problems are identified.
- c. Requiring that the helpdesk provide additional instructions to the worker and relay these instructions to the other counties, when user errors are identified. In cases where overpayments have occurred, the Department should work with the counties to help ensure that these amounts are recovered.

### Department of Human Services Response:

Agree.

- a. It is the established procedure that any problems or issues with Trails must be reported through the CDHS Helpdesk before the problem will be addressed.
- b. The Helpdesk utilizes a list server to notify all Trails' county contacts when system problems are identified.

- c. The Helpdesk will develop processes and procedures to provide information to users concerning user errors by June 2003. Additionally, the information will be forwarded to the Trails Training group for incorporation into the Trails training courses. According to Volume 7 rules, the counties are responsible for the collection process. The Department will continue to assist the counties with this process.

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## System Requirements and Reporting

The Department of Human Services must have the ability to produce various reports and assessments to satisfy court, state, and federal requirements. These include federal requirements for Statewide Automated Child Welfare Information Systems (SACWIS), Family Service Plans (FSP), assessments related to Child Welfare, the Adoption and Foster Care Analysis and Reporting System (AFCARS), and the National Child Abuse and Neglect Data System (NCANDS). In order to manage cases and administer the Child Welfare program, counties must track caseloads by caseworkers, opened and closed cases, placements with each provider, and other information for analysis and case management. In addition, the counties must have the ability to generate reports in order to receive funding from state and federal sources as appropriate. In addition to standard reports, Trails can be used to generate ad hoc reports with county-specific data.

The reporting process within Trails does not provide accurate data and does not fully meet various state and federal requirements. In addition, the system does not provide accurate information to the counties for case management purposes.

### *Adoption and Foster Care Analysis and Reporting System (AFCARS) Requirements*

The Department's system for managing information under the Foster Care and Subsidized Adoption programs, known as AFCARS, must meet various state and federal requirements. These include documentation on the removal of children from the home and children's disabilities and cultural needs. However, this information is not consistently documented in Trails because many workers are not clear on where to record these items. This results in inconsistencies in the documentation process of AFCARS requirements among counties. Additionally, certain required AFCARS fields, such as the end dates for removal of children from a home, are routinely altered as part of workarounds to compensate for Trails' functional deficiencies with respect to issuing provider payments to foster care parents and to families receiving subsidized adoption payments.

### Ad Hoc Reporting

Ad hoc, or user defined reports are created by running a query against a database or a collection of data, and can be run at anytime by users with access to the query tools. Predefined reports, on the other hand, are based on predetermined logic and cannot be altered by the average user. Counties have the ability to run ad hoc reports, but counties are limited to a filtered view of only that county's information.

During our county visits we observed the county Information Systems groups running ad hoc reports. We noted that reports contained duplicate client information or did not contain complete information. One report generated on the number of open referrals for services for the month only showed four referrals for the county, when in fact there were over 100 referrals noted. This problem appears to be due to the filtered view on which each county's reports are generated, which limits the information in Trails that can be accessed for ad hoc reports. County workers reported that when the same ad hoc reports are run by the State's Information Systems group using the entire Trails database, the reports appeared to be more accurate.

### Case Management Requirements and Funding Information

Because of problems with obtaining accurate and complete information, several counties are entering data into separate databases outside the Trails system in order to produce accurate reports on caseloads and assignments. Accurate information is needed in order for the counties to submit caseload data to the state and federal government and receive funding from those entities. This double entry of data increases counties' workloads and opportunities for input errors.

### Court Requirements

Our review also noted that Trails does not provide adequate reporting functionality to satisfy court requirements. For example, several counties do not utilize the Family Service Plan (FSP) reports because Trails does not provide formatting accepted by the courts. Currently, each court requires Child Welfare information to be formatted differently. Also, documents needed by the courts such as risk assessments, safety assessments and the North Carolina Family Assistance Scale screens within Trails cannot be printed as reports. Therefore, staff must manually write out this information and calculate results in order to provide it to the courts.

In addition, Trails reports that are generated for court purposes have to be printed out in their entirety and cannot be limited only to sections that are of interest or required by the courts.

### Other Factors Affecting Reporting

Other issues discussed earlier in this report add to the inaccuracy of the Trails reporting, such as the duplication of client and provider records within Trails (Data Integrity Section). Reporting errors also occur as a result of caseworkers entering invalid dates and information as “workarounds” in order to force Trails to process cases timely (Fiscal Issues Section). Additionally, each time a case is transferred to another worker, the application associates that client with each worker; therefore the same client will appear multiple times in the report under different caseworkers.

Overall, the inability of Trails to produce adequate reports has resulted in the continued use of manual procedures and processes. Furthermore, if counties are completing risk or safety assessments for children or families offline, other counties will be unable to view the complete file of a client. This results in county workers making phone calls and sending hard copies to other counties to share the information. Finally, by completing child assessments both online and manually, there is some risk that assessments may not be prepared or scored exactly the same in both instances. This could have an impact on the integrity of information available for decision-making and thus affect the services and treatments provided to clients.

In general, the lack of accurate reports and the need for users to maintain two sets of data is a poor use of personnel resources, undermines user acceptance, and does not meet the basic goals of Trails to provide a statewide system for case management and streamline record keeping and service delivery, while meeting the required reporting criteria.

(CFDA Nos. 93.658, 93.659; Foster Care: Title IV-E and Adoption Assistance; Reporting.)

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## **Recommendation No. 75:**

The Department of Human Services should ensure reports from the Trails system are accurate and meet requirements by:

- a. Providing specialized training to appropriate county workers on reports, including instructions on AFCARS and NCANDS requirements.
- b. Working with the counties and other stakeholders to identify critical reports and other reporting issues, such as court-required formats and ad hoc reporting limitations. The Department should establish agreed upon priorities and timelines for addressing reporting concerns.

- c. Establishing procedures to solicit courts to accept one established format for court documents.

### **Department of Human Services Response:**

Agree.

- a. A specialty training course on Trails Reports has been offered each month since October 2001. The Department is meeting the federal reporting requirements for both AFCARS and NCANDS. Currently, the inaccuracies are contained within five or fewer of the 100 data elements. We are continuing to improve training, understanding by the users and the programming that generates these reports to eliminate these inaccuracies.
- b. A reports workgroup was formed in June 2001. The results of the workgroup were given to the County Trails User Group in July 2002 to prioritize the issues. Since November 2001, the Department has met regularly with the county-designated ad-hoc reports group to discuss and develop ad-hoc reports desired by the counties. The ad-hoc reporting database will be changed by February 2003 to give the counties a full view of the data.
- c. We will establish procedures by March 2003.

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## **Medicaid Issuance**

Trails allows caseworkers to request and document Medicaid services for a client. However, in some instances the information in Trails is not consistent with critical information related to Medicaid eligibility held by the State's Client Oriented Information Network (COIN) system or the Medicaid Management Information System (MMIS).

During our review we noted an instance in which Trails indicated that a child was Medicaid-eligible, but the MMIS system classified the child as being covered by third party insurance and therefore not eligible for Medicaid.

The interface between Trails, COIN, and MMIS should be improved to reflect consistent information on a child's eligibility for Medicaid.

(CFDA Nos. 93.777, 93.778; Medicaid Cluster; Eligibility.)

**Recommendation No. 76:**

The Department of Human Services should continue to work with the Department of Health Care Policy and Financing to improve the interface between Trails, COIN, and MMIS, in order that Medicaid information is accurately reflected in all State systems.

**Department of Human Services Response:**

Agree. The Department will continue to work with the Department of Health Care Policy and Financing to improve the interface between Trails, COIN, and MMIS for Medicaid information. All reported problems are researched by the three areas. Additionally, the Trails staff is working with the CBMS staff to identify the modifications required in both systems to support the interface with the advent of CBMS.

**Department of Health Care Policy and Financing Response:**

Agree. Clients may have third party insurance and still receive Medicaid. However, in this case, the client could have been inappropriately classified as not eligible for Medicaid. The Department agrees that ensuring accurate data in all state systems is important and will work diligently with Department of Human Services to improve the data.

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**TANF Diversion Program Overview**

The purpose of the Temporary Assistance for Needy Families (TANF)/Colorado Works program is to assist needy families with dependent children to obtain and sustain self-sufficiency through time-limited cash payments. TANF regulations allow states to provide lump-sum, non-recurring cash payments to families rather than recurring monthly basic cash assistance (BCA) payments. These short-term benefits are intended to address a family's specific crisis or episode and assist the family in maintaining or gaining employment, and thereby divert the family from requiring long-term assistance. Some examples of short-term needs that could qualify under diversion are car repairs, apartment security deposits and rent, and utilities. In 1997, Colorado created two Diversion Programs for families with short-term needs: state diversion and county diversion.

The Department of Human Services is the primary recipient of the TANF federal grant award. In large part, the Department passes these funds through to county departments of social services. These local departments are responsible for administering the Colorado Works program within their county under the terms of the county's performance contract with the State. Under federal regulations, the Department is responsible for monitoring the activities of the county departments to ensure federal awards are used in compliance with laws, regulations, and the provisions of grant agreements and that performance goals are achieved. Thus, the Department is responsible for the oversight of the TANF/Colorado Works Program and compliance with federal requirements. Within the Department, the Office of Self-Sufficiency (Office) oversees the program. Statutes give the 64 county departments of social services broad authority to administer Colorado Works under the Department's supervision.

During Fiscal Year 2002 the Office of the State Auditor conducted a performance audit of the TANF Colorado Works Diversion Program. The audit comments below were contained in the *Colorado Works Diversion Program, Department of Human Services, Performance Audit Report No. 1455*, dated August 2002.

## **Diversion Payments and Compliance with Regulations**

As discussed, a state or county diversion cash payment should be a nonrecurrent payment to a recipient to assist the family in dealing with a specific crisis situation or episode. Federal regulations for "nonassistance" (i.e., payments that are not considered "assistance," such as basic cash assistance payments), which apply to Diversion Programs, required that diversion payments be directed toward recipients who do not need long-term assistance. Recipients must demonstrate a need for a particular type of assistance. Federal and state regulations do not clearly define the specific types of needs that may be met by Diversion Programs. However, federal regulations do prohibit the use of TANF funds for some types of costs, such as medical services other than pre-pregnancy planning services and capital construction, as well as payments made to fugitive felons.

To evaluate the implementation of the TANF Diversion Program in Colorado, we selected a sample of case files for review. Overall, we identified problems with 77 of the 239 cases in our sample, or 32 percent, and a total of \$94,000 in questioned costs.

We found a total of 30 cases in which diversion payments made by the counties were not consistent with federal and/or state requirements (some payments had more than one problem and appear in more than one category).



- **In one case, the county provided county diversion payments totaling \$5,400 from November 2000 through September 2001 to a family in which both parents were fugitive felons.** Of these payments, \$4,800 was provided to the family after the information on the recipients' arrest warrants was obtained by the county. Both federal and state regulations prohibit payments to fugitive felons.
  
- C **In 11 cases, with payments totaling \$41,000, the families did not meet the appropriate income requirements for the diversion payments they received.** Three of the eleven families had income exceeding the county-established guidelines for county diversion and thus were not eligible for either state or county diversion payments; these recipients received \$14,200 in county diversion payments. The other eight received almost \$27,000 in county diversion payments but were only eligible for state diversion or basic cash assistance.
  
- C **In 4 cases, families received a total of \$7,232 after county staff determined the recipients were not complying with specific components of their federally-required Individual Responsibility Contracts (IRC).** According to state laws and regulations, in order to receive a diversion payment, each recipient is required to sign an IRC that outlines the county's expectations and terms the client must meet to receive assistance.
  
- C **In 7 cases, counties provided payments totaling \$3,279 for medical services including hospital bills, prescriptions, and miscellaneous unspecified medical bills.** According to federal regulations, TANF funds are not to be used for medical services other than pregnancy planning services or limited medical costs previously allowed by the State under the federal JOBS program.
  
- C **In 9 cases with payments totaling \$14,344, the families did not appear to be appropriate candidates for diversion.** Our review of case file documentation indicated these recipients had no current or future job prospects or otherwise had ongoing, long-term needs that would not be met by short-term diversion payments. Therefore these payments did not qualify under state regulations requiring that diversion participants not have a need for long-term cash assistance.

In addition to these compliance issues, we noted that not all counties in our sample had a policy requiring that efforts be made to recover overpayments under diversion. We identified 3 cases in which families received overpayments totaling \$12,160 due to caseworker error. According to department staff, recoveries are not required under federal law, state statutes, or state regulations; recovery efforts are only required for

overpayments of public assistance. Federal rules classify diversion payments as "nonassistance," and the Department considers diversion participants to have been "diverted" from public assistance (i.e., from basic cash assistance). Thus, the Department does not require that counties include recovery policies for state or county diversion as part of their county plans for Colorado Works. Nonetheless, we noted that in one instance a county did attempt to recover a diversion overpayment.

Finally, in 28 cases we identified payments totaling approximately \$33,000 (not included in total questioned costs of \$94,000) for mortgage payments and related late fees, sports equipment, driving fines, furniture, cable television, a television set, a computer, personal loans, and past due credit card bills. While payment for these needs is not specifically prohibited by Colorado Works regulations, these purposes appear to represent recurring and/or nonessential needs. Documentation in the case file did not substantiate that these needs represented crisis situations that would be appropriately met through diversion payments. In addition, the counties we visited had varying beliefs regarding whether payments for these types of purchases in general were allowed or otherwise appropriate.

### **Diversion Payments Controls**

While the Department has established various controls over the Colorado Works program, these findings indicate that the controls over the diversion component of the TANF/Colorado Works program are not adequate. First, the Department does not routinely review diversion payments to assess adherence to the legislative intent of the program or for otherwise ensuring counties are meeting program requirements. This review could be accomplished in two complementary ways.

- C The Department should review actual case files of diversion recipients on a periodic basis. This should be done as part of the Department's ongoing on-site reviews of Colorado Works at county departments. With respect to these on-site reviews, in our Fiscal Year 2001 financial audit of the Department, we found that the Department had discontinued these monitoring visits for Colorado Works. That audit recommended that the Department reinstate this review process, including case file reviews, in order to identify problems in areas including eligibility determination and benefit payments. The Department agreed with this recommendation. During this audit of the Diversion Program, the Department provided us with the plan and schedule it had developed to perform on-site monitoring at the counties on a four-year cycle for the Colorado Works program. The first of these visits was scheduled for June 2002.

It is imperative that diversion case files be included in those reviewed during site visits. Many of the problems identified in our audit of state and county diversion,

in both this section and later sections of this report, could have been identified and resolved by the Department—and perhaps prevented—if it had an ongoing monitoring process in place to review diversion case files. These reviews should include follow-up discussions with county staff regarding any findings or questions and resolution of any problems. During this process the Department can also obtain information to identify trends, best practices, and areas in which technical assistance is needed.

- C In addition to performing on-site monitoring, the Department should review diversion payments by performing analytical review of the payments on a routine basis. Department staff have access to Colorado Works payment information on the COIN system; however, the Department does not review COIN to identify possible problems. For example, department staff could review diversion payments by focusing on payments issued by individual county caseworkers, on large diversion payments, and on recurring payments to the same recipients. This type of analytical review is important in order to provide ongoing and timely feedback to the counties. In this way, the Department can supplement the feedback to counties that is provided under the on-site monitoring plan, which is designed to cover all 64 counties over a four-year period. Information from the analytical review could also aid the Department in identifying high risk counties and scheduling the on-site visits.

In addition to reviewing payments through case file reviews and analyzing COIN data, the Department should provide additional guidance to the counties to further assist them in becoming aware of and adhering to program requirements. While federal and state regulations have given wide discretion in determining what payments are appropriate under Diversion Programs, there are specific requirements that must be met for eligibility and for allowable types of expenditures. The problems we identified reflect payments that appear questionable under state and/or federal requirements and, thus, in a number of instances could be disallowed by the federal government.

Finally, the Department should ensure efforts are made to recover all overpayments made with public funds, regardless of whether or not it classifies payments as "public assistance." The Department should require that counties develop policies to recover identified overpayments under diversion in a timely manner. We believe that this should be a consistent requirement across all county plans with diversion components.

Federal regulations require that the Department ensure federal requirements are met for funds passed through to the counties. Similarly, while state law grants the counties broad authority to administer their Colorado Works programs, statutes place the ultimate

authority for ensuring compliance with state laws and regulations with the Department. Sec. 26-2-716(4) (a,b), C.R.S., states:

A county may not use county block grant moneys except as specifically authorized pursuant to the provisions of this part 7 [Colorado Works] and rules promulgated by the state board or state department. . . If the state department has reason to believe that a county has misused county block grant moneys and has given the county an opportunity to cure the misuse and the county has failed to cure, the state department may reduce the county's block grant for the succeeding state fiscal year by an amount equal to the amount of moneys misused by the county. Any county found out of compliance with its performance contract or any provision of the works program may be assessed a financial sanction . . . .

Therefore, the Department should ensure that state and federal requirements are met for state and county diversion under Colorado Works.

(CFDA No. 93.558; Temporary Assistance for Needy Families; Activities Allowed or Unallowed, Allowable Costs/Cost Principles.)

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### **Recommendation No. 77:**

The Department of Human Services should establish adequate controls to ensure that Colorado Works expenditures for diversion are in compliance with state and federal requirements and meet the intent of the program by:

- a. Reviewing diversion case files as part of its periodic and ongoing TANF/Colorado Works monitoring process at county departments of social services. This process should include timely follow up with the counties on issues identified and resolution of problems.
- b. Using COIN data on diversion payments to perform periodic risk analyses on counties' Diversion Programs. Results of the analyses should be used to assist with decisions on scheduling county Diversion Program monitoring visits and to perform other follow up as appropriate.
- c. Developing written policies defining expenditures that are consistent with requirements and with the legislative intent of the diversion program and communicating these policies to all county departments of social services.

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- d. Requiring that all counties identify policies in their annual county plans submitted to the Department to identify and recover diversion overpayments in a timely manner. The Department should review the implementation of counties' recovery policies during Diversion Program monitoring visits.

### **Department of Human Services Response:**

Agree.

- a. The ongoing county program reviews include diversion-specific questions that will focus on the accuracy of payments, state and/or federal law compliance, and county compliance with its own policies. The Department will then issue a detailed report with recommendations to the county and forward copies to the Department's Audit Division. Based on the reviews, appropriate counties will receive more intensive training. Implementation date: October 2002 and ongoing.
  - b. The Department will initiate periodic risk analyses on counties' Diversion Programs. These results will be utilized as part of the overall county monitoring process. Implementation date: October 2002.
  - c. Written policies defining expenditures that are consistent with requirements and legislative intent is a good control; however, these policies are already defined in state and federal statute and regulations, and county social service departments have had and continue to have access to this information on a regular basis. The Department will continue to provide counties with guidance on these policies and help in the development of policies at the local level. Implementation is ongoing.
  - d. Federal TANF law does not require counties to recover overpayments. Colorado statute gives counties the programmatic flexibility and funds to make these decisions at the local level. However, the Department will require that all counties identify policies in their annual county plans with regards to recovery of diversion overpayments. The Department, through its ongoing county program reviews, will verify proper implementation of the county recovery policies contained in the annual county plan. Implementation date: October 2002 and ongoing.
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## County Plans

Another weakness in the Department's oversight of the diversion program is its lack of review of county plans. Counties are required by their performance contracts with the Department of Human Services to submit plans annually to the Department that outline their Colorado Works program policies and procedures. As discussed, state law provides counties discretion in creating and implementing their Colorado Works programs while still requiring them to adhere to federal and state TANF rules. We identified problems with two of the nine county plans we reviewed for Calendar Year 2001. In one case, the plan outlines the county's creation and implementation of a separate program component that is not consistent with state or federal TANF regulations. The problems we identified with this particular component of that county's plan are described in the next section of this report.

In the second plan in which we identified problems, the plan noted that the county would make diversion payments to recipients for unreimbursed medical expenses. However, TANF regulations do not allow medical services other than prepregnancy services to be provided with TANF grant funds. In addition, this county did not provide an income limit for county diversion in its county plan, although state regulations require counties to establish income maximums for county diversion eligibility.

In its federally required biannual State Plan for the TANF program, the Department states that it is responsible for assuring that all counties are complying with the terms of their county plans. This is consistent with the Department's responsibilities as the primary recipient of federal TANF funds. However, the Department has no process in place for reviewing annual county Colorado Works plans. Some of the inappropriate payments identified in our audit could likely have been prevented if the Department had reviewed the counties' plans and provided feedback regarding program aspects that did not appear to be in line with state and federal regulations.

(CFDA No. 93.558; Temporary Assistance for Needy Families; Activities Allowed or Unallowed, Allowable Costs/Cost Principles.)

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### **Recommendation No. 78:**

The Department of Human Services should institute a formal review process for county Colorado Works annual plans by:

- a. Assigning staff to review annual county plans.
- b. Establishing a method for providing feedback to counties regarding appropriateness of their plans within a specified time frame (e.g., 30 days) of submittal and ensuring that required changes are made timely.
- c. Determining counties' compliance with their county plans through ongoing case file reviews.

### **Department of Human Services Response:**

Agree. The Department agrees that improvements regarding the appropriateness of counties plans with regard to state and federal compliance issues can be achieved. Determining compliance with plans and policies through ongoing case file reviews is already a part of the established county program review process. As part of the ongoing county program reviews of all 64 counties within the next four years, the Department will conduct a thorough review of counties' plans and policies and provide specific feedback to counties regarding issues of non-compliance with regulations. Additionally, the Office of Self Sufficiency will work internally with the Department's Divisions of Field Audits and Field Administration and externally with county departments themselves to establish a review tool to more effectively and timely review counties' plans and policies. It is anticipated that after development of this review tool, feedback would be given to counties within 90 days of plan submittal. Implementation date for parts (a) and (b) within 90 days of receipt of new county plans starting January 1, 2003. Implementation date for part (c) October 2002 and ongoing.

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## **Requirements for Allowable Programs**

Several of the counties we reviewed have instituted Colorado Works Diversion Programs for families leaving basic cash assistance because the recipient had obtained employment, and therefore, the family's resources exceeded eligibility requirements for these ongoing cash payments. We found that one county's program for these families, referred to as its "transitional" program, does not appear to meet certain federal or state requirements. For example, under this transitional program, the county appears in some instances to be providing recurring cash payments instead of using county diversion to address families' short-term needs. Out of the 13 county diversion cases from this county in our sample, in 12 instances recipients received recurring diversion benefit payments during Calendar Years 2001 and 2002 to meet multiple, general, ongoing needs rather than a demonstrable,

specific, short-term need. In addition, the payments and/or families did not appear to meet other county diversion requirements. The problems we found are identified below (some cases had more than one problem).

- **Nine of the families each received between 9 and 34 cash payments during Calendar Years 2000 and 2001.** One of the nine families received 27 payments over the two-year period, including four rent payments and two car insurance payments. The insurance payments each covered a full year of premiums. Under federal regulations, “transitional” services are to be paid only for stabilization of housing or transportation, and the payment must be for a nonrecurrent, short-term benefit addressing a discrete crisis rather than ongoing needs. Total payments to families ranged from \$3,121 to \$7,000.
- **Seven of the families received cash payments in six or more consecutive months. In one case, the family received payments for 11 consecutive months.** Federal regulations that apply to diversion state that cash payments to recipients are limited to four consecutive months for a specific need. Our file review indicated that the same ongoing needs were being used by the county as the basis for payments beyond the four-month limit.
- **Six of the families did not appear to meet income guidelines for the county’s Diversion Program.** State regulations require that families served in county diversion must not be eligible for basic cash assistance or state diversion. For these six families, both the case files and Department of Labor and Employment records indicate the families had low income levels that would *require* that they be served through either basic cash assistance or state diversion; county diversion is intended to serve families at higher income levels. These six families received a total of 119 county diversion payments during the two-year period totaling \$24,203.
- **Three recipients that received a total of 32 county diversion payments totaling \$9,000 did not work at all or worked only a few months during the two-year period we reviewed.** While regulations do not require that diversion recipients be employed, we question whether payments to chronically unemployed individuals meets the goals of Colorado Works to promote job preparation and ensure participation in work activities as soon as possible. Our review of file documentation indicated these recipients were receiving payments on the basis of long-term ongoing needs throughout the period, rather than for short-term crises. We also noted that by placing these recipients in diversion, the county was not required to include these recipients when calculating its work participation rate.



Additionally, we noted that because the county was providing ongoing cash payments to these recipients through diversion, these payments were not being counted against the recipients' 60-month TANF life-time limits for ongoing cash assistance. We believe this is a misuse of county diversion. Federal and state regulations require that in order for cash payments to qualify as "nonassistance" or diversion, the payments must be solely for short-term or transitional needs. If the payments do not meet these requirements, then the payments are considered cash assistance and must be counted against a recipient's lifetime limit for cash assistance payments.

The county believes the ongoing cash payments under its transitional program are permitted by TANF regulations under the category of "other assistance." However, we are concerned that under both federal and state TANF regulations, "other assistance" is intended to provide support services (e.g., child care) to employed families that are receiving basic cash assistance. "Other assistance" is not intended to take the form of cash payments, and it is not intended for unemployed persons or "post-TANF" individuals after leaving basic cash assistance. Therefore, it appears that the county is using its transitional program to make payments that are not allowable under federal regulations either as "other assistance" or as "nonassistance" (i.e., diversion).

The county stated that its transitional program was not part of diversion and, therefore, was not subject to federal or state TANF/Colorado Works regulations. However, the county is using TANF funds to make payments under its transitional program, and the county is reporting the payments on COIN as TANF diversion payments. This transitional program is therefore part of the TANF/Colorado Works program.

The Department should take immediate action to ensure federal and state requirements are clear to counties and that counties are in compliance with these requirements. This should include completing a detailed review of this county's plan, as discussed in the previous recommendation, and requiring the county to make necessary changes to the plan. Additionally, the Department should perform an extension of the case file review undertaken in our audit with appropriate follow up at all counties that have in place "transitional" Diversion Programs to identify all instances of possible noncompliance. These steps are critical to ensuring the program is operating according to regulations and that any instances of possible fraud or irregularities are identified and addressed. As stated earlier in this report, the Department should also ensure that all counties with diversion as part of their Colorado Works program have policies in place to recover diversion overpayments.

In addition to the risks of noncompliance and misuse presented by this situation, we are concerned that this county's transitional Diversion Program is, in effect, being used in some instances to provide ongoing cash assistance with no time limits. This is contrary to one

of the basic intents of Colorado Works and TANF: to end dependence on government benefits.

(CFDA No. 93.558; Temporary Assistance for Needy Families; Activities Allowed or Unallowed, Allowable Costs/Cost Principles Matching, Level of Effort, Earmarking.)

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### **Recommendation No. 79:**

The Department of Human Services should take immediate steps to address the problems identified in the audit regarding county “transitional” programs under TANF/Colorado Works diversion. This should include:

- a. Conducting detailed case file reviews of recipients and payments under county transitional programs and addressing and resolving instances of noncompliance with federal and state regulations.
- b. Ensuring that counties are adequately informed about the requirements that must be met in order for payments or services to appropriately be classified as “other assistance” under TANF.

### **Department of Human Services Response:**

Agree.

- a. As part of the ongoing county program reviews of all 64 counties within the next four years, the Department will include some diversion-specific questions that will focus on whether the payments made were accurately, within state and/or federal law, and within the county’s own policies. A detailed report of any noncompliance issues and recommendations for resolution will be issued to the county with a copy sent to the Department’s Audit Division. Further, counties identified with having a significant number of noncompliance issues will be targeted for more intensive training. Implementation date: October 2002 and ongoing.
  - b. The Department will continue to provide guidance to counties—through training, agency letters, technical assistance, etc.—on the policy requirements, both federal and state, that must be met and the areas where there is flexibility to develop county-specific policies. Implementation is ongoing.
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## IEVS Verification

The TANF program has considerably more flexibility than Aid to Families with Dependent Children (AFDC), the program TANF replaced. However, under TANF the federal government continued one of AFDC's basic requirements: that recipients' income information and identity be verified through the federal Income, Eligibility, and Verification System (IEVS) at the time of application. IEVS provides states with income information on TANF recipients from the Social Security Administration, Internal Revenue Service, and the Colorado Department of Labor and Employment. Through IEVS, recipients' social security numbers are matched with these agency's records to identify instances in which TANF recipients have potentially understated their earned and unearned income and resources. This requirement must be met for all TANF applicants, regardless of whether they are applying for basic cash assistance or another type of assistance such as diversion.

In our review, we found that although the Department reports that it verifies information on TANF applicants for basic cash assistance through IEVS, the Department does not use IEVS to verify the accuracy of reported income for either state or county diversion recipients.

Staff explain that they have not run diversion recipients' social security numbers through IEVS since the inception of the Colorado Works program because diversion clients receive a one-time payment and the State might not be able to locate the client to recover an overpayment by the time the IEVS match identified a discrepancy. However, federal regulations require that information on all TANF applicants, including those applying for diversion, be screened through IEVS. In addition, we noted that many clients receive more than one diversion payment throughout the year. Therefore, IEVS could identify discrepancies with applicant-provided information that could be investigated and resolved prior to a recipient's returning for additional assistance.

Under federal regulations, states can be penalized for failure to conduct IEVS matches by up to 2 percent of the total TANF grant award. For Colorado, a 2 percent penalty since the inception of the TANF program in Federal Fiscal Years 1998 through 2001 would result in a penalty of \$11.6 million.

(CFDA No. 93.558; Temporary Assistance for Needy Families; Eligibility.)

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### **Recommendation No. 80:**

The Department of Human Services should verify identity and income information submitted by applicants for Colorado Works diversion by:

- a. Processing all diversion applicants through the federal Income and Eligibility Verification System (IEVS) on a timely basis.
- b. Submitting all identified identity and income discrepancies to the counties for investigation and follow-up to ensure discrepancies are resolved promptly.
- c. Requiring counties to address and resolve discrepancies identified through IEVS in a timely manner. In instances where discrepancies exist, if counties use alternative information to determine eligibility, the Department should ensure that counties obtain verification of this information.

### **Department of Human Services Response:**

Agree.

- a. Agree. The Department shall create an automated process by which all applications for federal TANF benefits are processed through the IEVS system. Implementation date October 2002.
  - b. The Department will continue to follow the Settlement Agreement of Darts, et al. v. Berson Civil Action No. 91-S-1003 that required the Department to implement minimum verification requirements for applicants and verify earned income, social security numbers and pregnancy. Other verification may be required if the information provided by the applicant is questionable. The lawsuit settlement allows the State Department to verify only those items directly relating to eligibility for public assistance. Implementation is ongoing.
  - c. The Department will issue guidance to counties regarding timely identification and resolution of discrepancies identified through IEVS. The guidance issued will also include verification of any alternative information utilized to determine eligibility. Implementation date: September 2002.
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## Case File Documentation and Verification

We also found that counties need to improve case file documentation. In some case files, documentation was not sufficient to determine if payments made to recipients were appropriate, and in other instances, required documents were lacking. Both state and federal regulations require states and counties to maintain adequate case records related to services provided. Case records should assist caseworkers reach valid decisions, ensure assistance is based on factual information, and provide for continuity when a caseworker is absent or when a case is transferred. The Department requires counties to, at a minimum, obtain an application, an Individual Responsibility Contract (IRC), and documentation of income earned in the last 30 days. Federal and state regulations both require the maintenance of records regarding applications, determinations of eligibility, and the provision of financial assistance.

We identified problems with the documentation for clients' diversion payments at each of the nine counties we reviewed. These problems were identified in a total of 16 cases (some files had more than one error and may appear in more than one category below).

- C **Seven case files could not located by county staff.** These recipients received about \$18,400 in diversion payments in Calendar Year 2001.
- C **Five case files contained no supporting documentation for payments totaling about \$4,200.** Thus, the counties were unable to substantiate the payments' appropriateness and adherence to program regulations.
- C **Five case files involving payments of over \$12,200 did not contain a state-required Individual Responsibility Contract (IRC).** This contract specifies the recipient's need for assistance and the type of assistance being provided, the county's expectations and terms for the recipient, and the reason the participant does not need a basic cash assistance grant.

## Program Overpayments

In addition to the need to maintain adequate documentation, we found that state regulations were not being followed that require verification of applicant-provided information not confirmed through IEVS. Specifically, state rules require counties to verify additional information not verified through IEVS such as identity, residency, family composition, income not reported in IEVS, and any other factors required that affect eligibility, such as specific need for a type of assistance under diversion. Department rules require counties to obtain and verify a social security number for each individual listed on the Colorado Works application, income earned by each family member within the past 30 days, and

pregnancy if not observable. Verification is defined as confirming the correctness of information by obtaining written evidence or other information that proves such fact or statement to be true.

In total, we found that counties did not properly verify applicant-provided information in 54 (23 percent) of the 239 cases in our sample. In some instances, this resulted in the counties issuing improper payments. The nonverified information included income, employment, identity, and specific need for a type of assistance. We also found that four of the nine counties reviewed do not require applicants to provide social security cards, identification cards, or any other proof of identity. They only require an applicant to provide a social security number for each of the family members. Lack of requirements for adequate documentation and verification increase the risk of fraud and irregularities occurring within the Diversion Program.

We identified three specific overpayments that resulted from the lack of verification:

- C **One county discovered it had overpaid a recipient by \$9,630. When staff attempted to recover the overpayment, they found the recipient had provided false information and was not eligible for any payment.** Staff discovered that the recipient's children were not living in the household, the employment information was false, and the home address was not a residence but a business. If this information had been validated prior to payment, this situation could have been averted. While the county had made attempts to recover the overpayment, as of the end of our audit the county had not been successful in recovering any of the overpayment from the recipient.
  
- C **Another county inappropriately paid two recipients \$9,240 in county diversion, although the recipients' incomes exceeded the county limit for the program.** Proper verification of the recipient-provided income information might have prevented the overpayments.

In one of these latter instances, the recipient was a TANF caseworker in one of the county departments. This individual received diversion payments totaling \$5,000, despite the fact that the person's income exceeded the county's maximum level for county diversion. The county had excluded routine overtime pay in the calculation of the individual's income, although information on both regular and overtime pay were documented in the file. Overtime pay must be included in the calculation of income.

Issuing benefits to county workers is an area of potential conflicts of interest, and counties should have policies in place to ensure such applications are handled appropriately. While the county had a policy requiring management review of such decisions, the county did not

perform adequate verification of supporting documentation to determine the payment was appropriate.

### **Documentation and Verification Policies**

Regulations require verification of recipient-provided information and define verification as obtaining written evidence proving the information is correct. This indicates that the information should be maintained in recipient case files. Colorado Works rules also state that a county cannot delay payments to applicants while waiting for information from IEVS “if other appropriate verifications are obtained to determine eligibility.” Thus, counties must verify essential applicant-provided information through IEVS or alternate sources prior to authorizing payments.

Counties note that regulations do not provide detail about how much documentation must be maintained in case files. Through its policies and procedures the Department should ensure that applicant-provided information is verified and that case files contain appropriate documentation to ensure payments are made to eligible individuals, payment amounts are appropriate, and payments are adequately supported. As part of the annual county plans, the Department should require that counties identify policies for granting TANF benefits to county employees. Policies should ensure payments are made only to eligible individuals and address conflict-of-interest issues.

(CFDA No. 93.558; Temporary Assistance for Needy Families; Activities Allowed or Unallowed, Eligibility.)

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### **Recommendation No. 81:**

The Department of Human Services should ensure information in Colorado Works diversion case files is adequate by:

- a. Establishing and communicating policies that outline the type of documentation related to eligibility to be maintained in county case files for diversion recipients.
- b. Ensuring that counties implement existing state regulations requiring verification of specific applicant-provided information, as well as other information affecting eligibility for diversion.

### **Department of Human Services Response:**

Agree.

- a. The Department will continue to provide guidance to county departments of social services on the types of documentation necessary to be included in case files for diversion recipients through its various training/information-sharing opportunities, such as its annual professional development conference, its quarterly administrator meetings and through its ongoing county program review process. Implementation is ongoing.
- b. County departments are required to meet all requirements of *Darts, et al. v. Berson*, Civil Action No. 91-S1003 and at a minimum verify earned income, social security numbers and pregnancy if not observable for all applicants. County departments may, under current Colorado Works rules (3.604.1 C), require verification of any information that is questionable or inconsistent as documented in the applicant's case file. Through the county monitoring activities, training and agency letters the Department will monitor case files to assure that case files include appropriate documentation and verification consistent with state Colorado Works rules. Implementation is ongoing.

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## **Recommendation No. 82:**

The Department of Human Services should require that counties have policies in their county plans for granting any TANF benefits or services to county employees. Policies should ensure that eligibility determination is performed in compliance with state and federal requirements and with the county plan, and that potential conflict-of-interest issues are addressed.

### **Department of Human Services Response:**

Agree. The Department will require counties to include in their county plan a policy for granting TANF benefits or services to county employees. In a county-administered system, counties make decisions on the appropriateness of and the eligibility for any payments under the TANF program. The Department will encourage counties to establish fair and objective policies for the provision of diversion payments to staff in their employ, including the review of such requests by an impartial party prior to such payment being made. Implementation date January 2003: and ongoing.

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## Low-Income Energy Assistance Program Overview

The Low-Income Energy Assistance Program (LEAP), within the Department of Human Services, is a federal program that was created in 1980 to provide low-income households with assistance to help meet the cost of their winter home heating needs. LEAP is a state-supervised, county-administered program. That is, the Department is responsible for the general oversight of LEAP while county social services offices are responsible for administering the Program by determining eligibility and calculating benefit amounts. The Program contains two main components:

- **Basic LEAP Benefit** - This is a cash benefit that is paid to either a utility company or fuel supplier on behalf of eligible households, or directly to eligible households when heating costs are included in rent. Individuals can apply for cash benefits from November through April each year. Counties have 50 calendar days to process standard, non-emergency applications. Emergency applications, where a shutoff notice has been received or a shutoff has already occurred, must be processed within 10 working days upon receipt.
- **Crisis Intervention Program (CIP)** - This is assistance for households experiencing a non-fuel-related heating emergency. Heating emergencies typically include situations where a furnace or a broken window needs to be repaired or replaced. Eligible households qualify for up to \$1,200 worth of repairs each year. Individuals can apply for CIP assistance year-round. Counties have four working days to process applications for CIP services.

During Fiscal Year 2002 the Office of the State Auditor conducted a performance audit of the Low-Income Energy Assistance Program. The audit comments below were contained in the *Low-Income Energy Assistance Program, Department of Human Services Performance Audit*, Report No. 1419, dated June 2002.

### Documentation in Case Files

Department rules require that counties obtain sufficient documentation to support eligibility determinations and benefit calculations. For example, applicants must provide documentation to verify their reported income for the month prior to application and vulnerability to rising heating costs (i.e., copy of their most recent heating bill, or when heat is included in rent, a copy of their most recent rent receipt).

During our review of about 400 files from Program Years 2001 and 2002, we found that many did not contain sufficient documentation to support eligibility determinations, benefit calculations, and adherence to timeliness standards. Specifically, we found:

- 14 out of 61 files (23 percent) requiring a rent receipt did not contain one.
- 38 out of 346 files (11 percent) requiring a heating bill did not contain one.
- 44 out of 406 files (11 percent) did not contain income verification.

We also looked at approximately 300 of the files to determine if the documentation contained in the files was date stamped. Counties are required to date stamp all documentation so that reviewers can determine if applications are processed within appropriate time frames. We found that about 40 of the files (13 percent) contained documentation that was not date stamped.

In addition, we found that most applicants did not provide social security numbers or birth dates for additional household members. The Department requests that the individual applying for benefits include his or her social security number and date of birth on the application. Although the application also requests social security numbers and birth dates for additional household members, this information is not required before an application is processed. Requiring this information would help ensure that applicants accurately report the total number of household members. This is important because eligibility determinations are affected by income and household size. That is, as household size increases, so do the maximum income requirements. In addition, the larger the household, the higher the benefit payments. Inappropriately increasing household size may improve an applicant's ability to be eligible for LEAP and increase benefit awards.

The Department also finds numerous errors during its own monitoring process. In the nine recent county monitoring reports we reviewed, the Department reported errors in 69 of the 160 cases reviewed. These errors ranged from minor issues such as incorrect coding to more serious issues such as incorrect income calculations and eligibility determination mistakes. Without proper documentation it is difficult to determine if eligibility and benefits were calculated correctly. As a result, some applicants may receive benefits that they are not eligible to receive.

(CFDA No. 93.568; Low-Income Home Energy Assistance; Eligibility.)

### **Recommendation No. 83:**

The Department of Human Services should ensure that counties sufficiently document information used to determine eligibility, calculate benefit amounts, and determine adherence to timeliness standards for the Low-Income Energy Assistance Program by:

- a. Requiring applicants to provide a social security number and date of birth for every household member.
- b. Continuing to emphasize at trainings the supporting documentation that must be included in every file and the importance of date-stamping the documentation.

### **Department of Human Services Response:**

- a. Disagree. Although the provision of social security numbers is not required by federal statute or regulation, the Department currently requests, but does not require, social security numbers and birth dates for identification purposes. The vast majority of applicants either provide them on their LEAP application or counties access them through other benefit programs for identity purposes. The Social Security Number is not used for verification, federal matching, or other purposes. The requirement would cause delays in processing applications—forms would have to be returned as incomplete. Because LEAP is a time-sensitive program, these delays would be detrimental to applicants. Requiring date of birth would serve no value.

***Auditor's Addendum: Obtaining social security numbers for all household members serves at least two important purposes. First, social security numbers provide a unique identifier for LEAP recipients that would assist the Department in tracking recipients across other benefit programs. In addition, requiring this information would help ensure that applicants accurately report the total number of household members, and thus receive the appropriate benefit amount.***

- b. Agree. LEAP trainers currently stress the need to include supporting documentation in case files and on the Report of Contact screen in the LEAP automated system. They will continue to do so. LEAP conducts formal, intensive training each fall, prior to the beginning of the new program year, for all county workers. Implementation date: September 16, 2002.
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## Timely Application Processing

We reviewed the timeliness of the county LEAP offices' processing of standard, emergency, and CIP applications and found that timeliness was an issue, especially for the emergency and CIP applications. There are many reasons why it is important that counties process all applications within the specified time requirements. In CIP cases, for example, there may be health or safety concerns because an applicant has a cracked furnace that is leaking carbon monoxide. In emergency cases applicants may have their heat shutoff which can also lead to health and safety issues. We found that:

- **28 of 47 (60 percent) Crisis Intervention Program cases reviewed exceeded the Department's four-working-day processing requirement by 1 to 65 days.** On average, it took counties about eight working days to process these cases. Department rules currently require CIP cases to be *processed* within four working days of the county's receiving an application. In addition, the rules require that counties provide some form of assistance within 48 hours of application to homes experiencing a heating crisis or within 18 hours if the situation is life-threatening. There are no requirements, however, for when CIP *services* must be provided. From our review of CIP case files, we found that it was often difficult to determine when services were actually provided due to a lack of documentation. Insufficient documentation also made it difficult to determine if a county took intermediate steps, such as supplying space heaters or blankets, to assist applicants until a permanent repair could be made. The ultimate goal of CIP is to provide services to households in need. Therefore, it is important that these services be provided as soon as possible. In addition to having a requirement that counties *process* CIP applications within four working days, it would be beneficial to also have a requirement for counties to ensure *services* are actually provided within a certain time frame.
- **34 of 135 (25 percent) emergency cases reviewed exceeded the Department's 10-working-day processing requirement by 1 to 70 days.** A majority of the cases that exceeded the 10-working-day requirement were from the 2001 LEAP season when many counties experienced difficulties due to a significant increase in applications. In emergency cases, Department rules require counties to process applications within 10 working days and contact the utility vendor as soon as they receive an application to prevent service from being discontinued. During our file review we were able to evaluate the number of days it took to process the emergency applications. The files, however, did not usually contain sufficient documentation to show when the utility vendor was contacted.

- **38 of 274 (14 percent) standard cases reviewed exceeded the Department's 50-day processing requirement by 1 to 66 days.** A majority of the cases that exceeded the 50-day requirement were from the 2001 LEAP season when many counties experienced difficulties due to a significant increase in applications. For the other years, most cases were processed within the 50 days. Consequently, we question whether 50 days is too long and whether counties should be required to process standard LEAP applications within a shorter time frame. We surveyed other states' programs to determine their time requirements for processing standard LEAP applications in order to compare them with Colorado's requirements. We found that a majority of the states surveyed have a 30-day time requirement for processing standard applications. In fact, Colorado's 50-day requirement is the longest of the states surveyed that have established time requirements.

(CFDA No. 93.568; Low-Income Home Energy Assistance; Other.)

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### **Recommendation No. 84:**

The Department of Human Services should improve the timeliness of the Low-Income Energy Assistance Program application process by:

- a. Implementing a time requirement for counties related to the amount of time counties have to provide Crisis Intervention Program services.
- b. Continuing to emphasize to county personnel at trainings the importance of documenting all actions taken on a case.
- c. Evaluating the 50-day time requirement for processing standard applications and taking steps to reduce the number of days.

### **Department of Human Services Response:**

- a. Partially agree. Department rule 3.756.20 requires LEAP to provide "some form of assistance" within 48 hours, and within 18 hours for life-threatening situations, which the program is meeting. Such assistance is for stopgap measures to alleviate the immediate crisis. It is impractical to set a time limit for the provision of a permanent remedy, e.g., a new furnace, as the program

cannot control the time it takes contractors to obtain parts and equipment. Implementation date: October 1, 2002.

***Auditor's Addendum:*** *As noted in the discussion, we found that it was often difficult to determine when services were actually provided due to a lack of documentation. This includes both stopgap measures and permanent remedies. Although the Department and the counties may not be able to control the exact date permanent services are provided, it is still important that both make a concerted effort to ensure services are provided as quickly as possible.*

- b. Agree. LEAP trainers currently stress the need to collect or cite supporting documentation. Such documentation may be located in the LEAP case file or cited on the Report of Contact (ROC) screen in the LEAP Management Information System as being located in another program case file, such as Food Stamps, TANF, or Adult Categories. Implementation date October 1, 2002.
- c. Partially agree. The auditors' comparison to other states' time limits may be inappropriate, as programs are often dissimilar from one state to another. Nevertheless, the Department will evaluate the 50-day ceiling to determine if shortening it will jeopardize the program's ability meet any new limit while continuing to place a priority on addressing emergency cases. LEAP must first process applicants facing service discontinuance or heating system emergencies, while ensuring non-emergency applicants are processed and receive benefits in a timely manner. Implementation date October 1, 2002.

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## **Tracking Administrative and Outreach Expenditures**

Each year, the Department allocates a portion of LEAP funding for administrative expenses. These funds are intended to cover the actual cost of operating LEAP. Administrative expenses include items such as salaries, facility costs, and postage for disseminating eligibility notices. Federal statutes limit the amount of funds a state may use for planning and administering LEAP to 10 percent of the State's total federal allocation. In Fiscal Year 2001 the Department could have used up to about \$4 million for administrative costs at both the state and county levels. The Department reports that in

Fiscal Year 2001 the State and the counties spent a total of \$2.6 million, or 6 percent of the federal allocation, to administer LEAP.

The Department also sets aside funding for outreach activities. Outreach funds are allocated from the basic LEAP benefit pool. There are no federal limitations on the amount a state can spend on LEAP outreach, but limiting these expenses is important because funding comes from the dollars allocated for benefits. In Fiscal Year 2001 the State and the counties spent almost \$624,000 on outreach. Outreach activities include sending out applications to prior LEAP recipients and individuals receiving public assistance, distributing posters and handouts, and placing advertisements in newspapers. The purpose of these activities is to inform potentially eligible individuals about LEAP and the benefits that are available.

County administrative and outreach allocations are determined on the basis of caseload. That is, the previous year's caseload is used to determine what proportion of the funds set aside the next year for local-level administrative and outreach costs the next year a county will receive. For example, if a county's Fiscal Year 2000 caseload represented 5 percent of the total state caseload, that county would have received 5 percent of the total funding allocated for county administrative costs and 5 percent of the total funding allocated for county outreach costs in Fiscal Year 2001.

During our audit we reviewed the Department's method for tracking administrative and outreach expenditures and found there are inadequate controls in place to ensure the Department is complying with the federal 10 percent limitation on administrative expenditures. For example, although the Department reported that its administrative expenditures for Fiscal Year 2001 represented only 6 percent of its federal allocation, the problems with timekeeping and accounting practices discussed below made it impossible for us to determine if this figure was accurate. Further, although expenditures may be reviewed by the Department's internal audit unit and through other state-level monitoring processes, none of these monitoring approaches are frequent or thorough enough to provide the necessary assurance that counties are appropriately charging administrative and outreach expenses. County LEAP offices are required to document and report all administrative and outreach expenditures in the Department's County Financial Management System. This system tracks county expenditures for all human services programs and allows counties to specifically code LEAP expenditures as either an administrative or outreach expense. We found several problems with how counties currently track LEAP expenditures. Specifically:

- **Some counties do not use any of their LEAP administrative or outreach allocations.** In Federal Fiscal Year 2001 we found that seven counties did not

charge anything to the LEAP administrative cost code, even though they had LEAP caseloads ranging from 24 to 204 cases. Although county staff obviously spent time processing these cases, none of this time was charged to LEAP, resulting in an understatement of administrative costs. In addition, in Federal Fiscal Year 2001 there were 16 counties that did not charge any expenditures to the LEAP outreach code. Counties are allocated outreach funds and are required to conduct outreach in their communities. These counties either did not conduct any outreach during this time period or did not appropriately charge LEAP for their expenditures.

- **Some counties do not use one of the Department's approved time reporting methods to document the time staff spend managing and processing their LEAP caseloads.** During our review we found that three of the ten counties we visited did not use one of the Department's approved time reporting methods to account for the staff time spent on LEAP. Department policy requires counties to document the amount of time staff spend on a particular program by using direct time reporting, 100 percent time reporting, or random moment sampling (RMS). Direct time reporting is used when staff spend all of their time on LEAP. Generally, direct time reporting is used by larger counties that have LEAP-only staff. We did not find any problems in this area. In many small- and medium-sized counties, however, staff may work on several programs at once because LEAP caseloads are not sufficient to warrant a full-time employee. When staff split their time between multiple programs, they must use 100 percent time reporting or RMS to determine how much time should be charged to a particular program. With 100 percent time reporting, staff must track the time they spent on a program, using 15-minute increments. This information is then used to allocate personal services costs to the appropriate program. With RMS, staff are selected at random and asked on what program they are working. Software is then used to project the average time spent on each program for each staff member and to allocate expenses. Four of the smaller counties we visited have staff who work on multiple programs at one time. Three of these counties, however, do not use 100 percent time reporting or RMS. These three counties also have not been charging LEAP for any of the time that staff spend on this program. We were unable to determine how the counties accounted for their time or if the time was inappropriately charged to other programs. If staff time is being spent on LEAP and the costs associated with this time are not properly allocated to LEAP, administrative costs will be understated.
- **The amount that counties spent of their LEAP administrative and outreach allocations varied significantly.** In Federal Fiscal Year 2001, 46 counties



underspent their \$1.9 million administrative allocations by almost \$610,000 (33 percent), and 27 counties underspent their \$269,000 outreach allocations by almost \$132,000 (49 percent). Conversely, 15 counties over-spent their \$227,000 administrative allocations by a total of about \$88,000 (39 percent), and 11 counties overspent their \$60,000 outreach allocations by a total of about \$57,000 (95 percent).

During our review we found that it is difficult to determine the reasons for the expenditure variances. According to the Department, most over- and under-expenditures are due to coding errors by the counties. That is, counties code expenses as administrative when they should be coded as outreach or vice versa, even though the Department provides training to county staff on the appropriate coding of LEAP expenditures. In addition, although the Department requests an explanation when it identifies overexpenditures, it does not require that counties provide documentation to explain why the error occurred. We also found that although the Department has provided counties with a list of approved outreach expenditures, it has not provided them with a list of approved administrative expenditures. These lists would assist counties in determining how expenses should be coded and could reduce the number of coding errors that occur. Further, if the overexpenditures are not the result of coding errors, then the Department's policy is to recover the excess by deducting that amount from the county's appropriation the following year. The Department, however, has enforced this policy only once in the past three years.

Although we recognize that some of the underexpenditures may be due to county efficiency, others may be due to problems with the Department's allocation methodology. As mentioned previously, the Department allocates administrative and outreach funds on the basis of caseload. Because such a large number of counties are not spending the amount allocated, caseload may not be the most appropriate basis for determining county allocations.

(CFDA No. 93.568; Low-Income Home Energy Assistance; Allowable Costs/Cost Principles, Reporting.)

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### **Recommendation No. 85:**

The Department of Human Services should improve the accuracy of county administrative and outreach expenditure reporting for the Low-Income Energy Assistance Program by:

- a. Ensuring counties use one of the approved methods for reporting the time staff spend managing and processing LEAP cases.
- b. Developing and disseminating specific guidelines on the appropriate uses of administrative funds.
- c. Continuing to emphasize to county program and fiscal staff the importance of appropriately coding LEAP administrative and outreach expenditures.
- d. Requiring counties to fully document reasons for overexpending administrative and outreach allocations and/or recovering county administrative and outreach overexpenditures each year.
- e. Reassessing its methodology for allocating funds.

### **Department of Human Services Response:**

- a. Agree. The Department issued an Agency Letter in 2002 instructing county human services departments to use one of the approved methods for personnel time tracking. Implementation date: November 1, 2002.
  - b. Agree. The Department will develop these guidelines and train county staff on their application at LEAP training. The Department will also issue these guidelines to each county human services department through the agency letter process. Implementation date: November 1, 2002.
  - c. Agree. The Department will continue providing this instruction as part of its ongoing training of county business office staff. Implementation date: November 1, 2002.
  - d. Agree. The Department currently requires counties to document the reasons for administrative and outreach over-expenditures, and will continue to do so. Department staff also notifies counties why over-expenditures are being recovered. Implementation date: November 1, 2002.
  - e. Agree. The Department recently convened a state/county task force, which recommended that the outreach allocation methodology be modified. As part of this, the Department will implement an Outreach Incentive Program beginning this winter. Implementation date: November 1, 2002.
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## Program Oversight

As mentioned previously, the Department is responsible for monitoring LEAP to ensure that the program is administered in accordance with state and federal requirements. This includes monitoring county LEAP offices to ensure cases are processed properly and monitoring utility vendors to ensure LEAP benefits are applied to the appropriate accounts. During our review we identified several issues related to the Department's current monitoring process. Specifically, we found:

- **Many counties have not been reviewed for a significant period of time.** Specifically, 8 counties have not been monitored since 1989 and 34 counties have not been monitored since 1996. In addition, we found that the Department's current process does not allow for timely follow-up with counties when errors are found. In nine recent county monitoring reports that we reviewed, the Department reported errors in 69 of 160 cases. Errors included incorrect income calculations, inappropriate eligibility determinations, untimely application processing, and inadequate supporting documentation. According to the Department, counties are required to prepare a corrective action plan that addresses the errors. During our review, however, we found that many counties did not submit a corrective action plan until months after the monitoring visit. Even when counties did submit a corrective action plan, the Department did not follow up with the counties in a timely manner to ensure the appropriate corrective actions were taken.
- **Payments to utility vendors are not monitored to ensure they are applied to the appropriate customer accounts.** The agreements between the State and utility vendors contain a provision that allows the Department to monitor client benefit payments. The Department has not monitored these payments in the past but has instead relied on clients to notify the Department if the correct benefit amount is not credited to their account. Monitoring would help ensure that individuals receive credit for the full LEAP benefit amount for which they are eligible.

Department rules require state LEAP staff to develop a monitoring plan that should include provisions for programmatic and local reviews and methods for ensuring corrective actions are taken in a timely manner. We found that the Department has not developed a formal monitoring plan or schedule for reviewing county LEAP offices. According to the Department, because it has a limited number of staff and limited time to devote to monitoring, it has focused its efforts on larger counties because these counties process a majority of the State's LEAP cases and because these counties often have high staff turnover. Staff have also stated that they visit counties that have asked for technical

assistance or seem to be experiencing difficulties. This approach results in many small- and medium-sized counties not receiving the proper oversight by the Department.

In addition, at each county visited, the Department interviews county staff and reviews 20 case files to determine if eligibility and benefit amounts were calculated correctly and to see if the files contain sufficient supporting documentation. We believe that the Department may need to set guidelines to expand the number of files it reviews at counties when a significant number of errors are identified. For example, the Department may decide that if 20 percent or more of the files reviewed contain errors, a larger sample should be selected so that the root cause of the errors can be determined. We found that for eight of the nine county monitoring reports we reviewed, the Department found errors in 20 percent or more of the cases contained in its sample. Further, the Department found errors in 50 percent or more of the cases reviewed at five of the nine counties. These results indicate that more oversight is needed to ensure eligibility and benefits are calculated correctly.

In addition to the monitoring conducted by state LEAP staff, the Field Audits Section within the Department conducts county financial compliance audits for county-administered social services programs. Although these audits are not necessarily program specific, Field Audits staff have stated that they will monitor areas of concern identified by program staff. Currently, however, LEAP staff do not regularly inform the Field Audits Section of the counties they have monitored or of problem areas identified during their review. Without this information, Field Audits staff will not know to focus on LEAP while performing their financial compliance reviews at specific counties where problems have been found. State LEAP staff could maximize their monitoring coverage by maintaining better communication with the Field Audits Section.

(CFDA No. 93.568; Low-Income Home Energy Assistance; Subrecipient Monitoring.)

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## **Recommendation No. 86:**

The Department of Human Services should improve its oversight of the Low-Income Energy Assistance Program by:

- a. Developing a plan for monitoring county LEAP offices which establishes a review cycle that ensures every county gets audited on a regular basis and that tailors file reviews to consider factors such as caseload size, previous problems noted, and any other relevant factors.
- b. Enforcing the requirement that counties prepare a corrective action plan in a timely manner to address any problems discovered by Department staff during their

review and following up on these plans in a timely manner to ensure problems have been remedied.

- c. Periodically monitoring a sample of benefit payments made directly to utility vendors to ensure funds are credited to the appropriate LEAP client accounts.
- d. Maintaining better communication with the Field Audits Section regarding the counties that have been monitored and any areas of concern identified.

### **Department of Human Services Response:**

- a. Agree. Although there are no federal statutory or regulatory requirements for monitoring, the Department currently maintains a schedule, which places a priority on monitoring counties with the largest caseloads. LEAP staff also place a priority on monitoring counties with discernable issues and those that request state assistance. LEAP will continue in this manner, prepare a five-year monitoring plan, and do everything it can to review all counties periodically. Staff will continue to tailor reviews according to the above noted factors. Implementation date: August 1, 2002.
- b. Agree. The Department currently enforces this requirement, will continue to do so, and will follow up to ensure compliance. Implementation date: August 1, 2002.
- c. Disagree. LEAP presently makes payments electronically to utility companies, which then electronically credit them to customer accounts. There is little room for misapplication of these payments. In addition, clients receive notices advising them of their benefit amounts, when the payment will be made, and to whom. The Department, through its Field Audits Division, investigates, as requested by clients or counties, the rare complaints against utility vendors. This has worked very effectively.

***Auditor's Addendum: Periodically verifying that LEAP payments are credited to the appropriate account is a basic control that should be in place to ensure public dollars are being used appropriately.***

- d. Agree. LEAP has maintained excellent communication and a strong working relationship with Field Audits over the years and will continue to share information with them including results of monitoring reviews and areas of concern. Implementation date: August 1, 2002.
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## Crisis Intervention Program Funds

As mentioned previously, the purpose of the Crisis Intervention Program (CIP) is to provide assistance to low-income individuals who are experiencing a home heating-related crisis. According to Department rules, a home heating-related crisis includes the following:

- Heating system failure.
- Window breakage.
- Emergency snow removal.
- Emergency clothing, blankets, shelter, and/or alternative fuel provision.
- Energy costs to operate a life support system.
- Any other crises related to home heating costs, other than the payment of utility/fuel bills.

LEAP households are eligible to receive up to \$1,200 in CIP services each year. When a county LEAP office receives a CIP application, the county technician will process the application and then contact either a private vendor or the Energy Saving Partners (ESP) weatherization agency in the area about the emergency. The vendor or weatherization agency will then go out to the home and determine what repairs are needed and the estimated cost of the repairs. Because of the emergency nature of the situation, the vendor or weatherization agency will usually call the county LEAP technician to receive verbal approval for the repair. Once the services are provided, the private vendor or weatherization agency bills the county LEAP office for materials and labor. In Fiscal Year 2001 about 1,900 LEAP households received CIP services.

During the audit we interviewed county staff and reviewed case files to determine what steps are taken to ensure appropriate CIP services are provided. We found that staff at only two of the ten counties we visited follow up with CIP clients to ensure that the private vendor or weatherization agency provided the appropriate services. Instead, staff report that they rely on CIP clients to call and complain if their heating problem is not fixed. Currently neither the Department nor the counties are required to conduct any type of follow-up on CIP cases to ensure repairs were completed and funds were used appropriately. A follow-up phone call by county staff to the CIP recipient would provide some assurance that the work was actually completed. In addition, we observed during our file review that most vendors and weatherization agencies provide a very limited description of the services provided and materials used for the repair on the invoices submitted to the county LEAP offices. A more detailed invoice would provide county staff a written record of the work completed and the materials used and make the vendor or weatherization agency more accountable for the repairs.

In addition to the actions described above, requiring clients to sign a form indicating that work has been completed for CIP cases is another step the Department could take to

ensure that CIP funds are used appropriately. We found that the Governor's ESP Program already has a similar requirement in place for homes receiving weatherization services. The Department could require that clients sign the detailed invoice described above to indicate that the appropriate services were provided. In addition, contingent on funding availability, the Department could contract with independent private vendors around the State to inspect a sample of homes where CIP repairs were made to verify that the work described in the invoice was actually completed. Although none of these steps alone will ensure that CIP funds are used appropriately, all of them used in conjunction will provide more assurance than is currently obtained.

(CFDA No. 93.568; Low-Income Home Energy Assistance; Subrecipient Monitoring.)

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### **Recommendation No. 87:**

The Department of Human Services should improve its oversight of the Crisis Intervention Program by:

- a. Requesting that county LEAP offices randomly follow up with individuals receiving CIP services to ensure that the appropriate services were provided.
- b. Requiring private vendors and weatherization agencies to submit detailed invoices to county LEAP offices that clearly describe the CIP services provided and materials used and that contain a client signature indicating the appropriate services were provided.
- c. Periodically contracting with independent private vendors to inspect a sample of the homes where CIP repairs were made to verify that the work described in the invoice was actually completed.

### **Department of Human Services Response:**

- a. Disagree. LEAP will require contractors to obtain recipient signatures affirming that the CIP work was completed and to submit detailed invoices (see "b" below). This should be adequate to ensure the services were provided. Also, we rely on customer complaints to alert us if the work is not satisfactory. While clients rarely complain about the services provided, LEAP staff address their issues when they do. Of approximately 1,900 CIP recipients in 2001-02, LEAP received very few complaints.
- b. Agree. Rules have been drafted and will be presented to the Colorado Board of Human Services in August 2002, which, if passed, will require counties to

obtain detailed invoices and client signatures for all CIP jobs. Implementation date: October 1, 2002.

- c. Disagree. As noted above previously, the Department receives very few complaints about the quality of CIP work. New requirements that recipients sign statements affirming the work was satisfactorily completed, and that contractors submit detailed invoices, should be sufficient verification for the vast majority of CIP jobs. The Department will refer any subsequent client complaints to Field Audits if counties or program staff cannot resolve them. Hiring private vendors for inspections is not necessary.

*Auditor's Addendum: Approximately \$1 million is spent each year to provide CIP services. It is the Department's responsibility to establish the controls necessary to ensure these funds are spent appropriately. Randomly following up with CIP recipients to verify that the appropriate services were provided would not be a very time consuming process, yet it would provide additional assurance that public funds are being used for their intended purpose. In addition, many of the CIP repairs are complicated and technical in nature. Having an expert inspect some CIP repairs would provide an additional control over the expenditure of these funds.*

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## Division of Child Welfare Services

The Division of Child Welfare Services directs the development of the child welfare care system by providing resource and policy development, technical assistance, monitoring and oversight. All direct services are administered by county departments of social services. Four programmatic areas define the target populations served in child welfare: Youth in Conflict, Child Protection, Children in Need of Specialized Services, and Resource Development.

## Subsidized Adoption Program Overview

In Colorado children can be adopted through private organizations or through county departments of human services/social services. Children available for adoption through county departments typically enter the State's child welfare system as a result of abuse and neglect and cannot be returned to their parents. Finding adoptive homes for these children, many of whom have serious physical, mental, and emotional disabilities, can be difficult, in part, because of the financial burdens imposed by their special needs. Colorado's Subsidized Adoption Program (the Program) plays a key role in placing these special



needs children into permanent adoptive homes. The Program helps reduce financial barriers to adoption by providing assistance such as regular monthly adoption subsidies paid to the families and Medicaid coverage for the child. Additionally, the State and counties may pay for certain types of services not covered by Medicaid or the monthly subsidies, such as therapies and respite care. In Fiscal Year 2000 adoption subsidies were provided to families in 97 percent of the cases where adoptions were finalized. The Program benefits not only the special needs children who are placed in permanent homes, but also the State by reducing the high costs of foster care for these children.

Colorado's Subsidized Adoption Program is overseen by the Department of Human Services' Division of Child Welfare Services (the Division) and administered at the local level by county departments of human/social services. Colorado's Subsidized Adoption Program consists of both a state/county program and a federal Title IV-E adoption assistance program. For monthly adoption subsidies under the federal Title IV-E adoption assistance program, the State contributes 30 percent of the funding, the counties 20 percent, and the federal government a 50 percent match. For subsidies that are not eligible for Title IV-E reimbursement, the State contributes 80 percent and the counties 20 percent of the funding.

During Fiscal Year 2002 the Office of the State Auditor conducted a performance audit of the Subsidized Adoption Program. The audit comments below were contained in the *Subsidized Adoption Program, Division of Child Welfare Services, Performance Audit*, Report No. 1386, dated March 2002.

## **Subsidy Payments Discontinuance**

According to federal statutes and Department rules and regulations, adoption subsidies must end when a child reaches 18 years of age. The exception to this requirement is if the child's special need includes a physical or mental disability that specifically warrants the continuation of the assistance, in which case the subsidy can continue until age 21. For example, from the subsidy files we reviewed, we found that a child with cerebral palsy or Down's Syndrome would qualify for continuation of subsidy payments past age 18. If a child does not meet the exception criteria, the subsidies are to be discontinued the month following the child's 18<sup>th</sup> birthday.

We found that 17 of the 20 counties in our sample have a policy to continue adoption subsidies past the child's 18<sup>th</sup> birthday if the child is still in high school regardless of whether the child has physical or mental disabilities that warrant the continuation. Typically, counties extend payments until a child graduates because the child is still under the care of the parents and some of these children are educationally delayed and do not graduate at or near their 18<sup>th</sup> birthday. Division managers indicated that despite the current regulations,

they have authorized counties to continue adoption subsidies until children graduate from high school using only state and county funds.

## Payments of Unauthorized Subsidies

From our review of subsidy files we found that counties continuing adoption subsidies after children turned age 18 used federal Title IV-E funds to pay the subsidies. In our sample of 79 cases where the adoption subsidies ended in Calendar Years 1999 and 2000, we identified 24 cases (30 percent) where adoption subsidies were paid past the child's 18<sup>th</sup> birthday for reasons other than the child's having a mental or physical disability. Furthermore, for all of the Title IV-E cases discontinued between 1995 and 2000, we identified 219 cases (22 percent) that remained open past the child's 18<sup>th</sup> birthday. Accounting for cases that would be eligible for payments past age 18 due to mental or physical disabilities, we estimate that ineligible payments past a child's 18<sup>th</sup> birthday during this six-year period cost \$466,000. About \$233,000 of this amount is from federal Title IV-E funds.

According to the federal liaison for Colorado's Subsidized Adoption Program, if the State continues to pay subsidies using IV-E funds after a child's 18<sup>th</sup> birthday and the child does not have a physical or mental disability, the State is liable to the federal government for these federal funds. Therefore, the Division may be required to reimburse the federal government for the federal portion of the unallowed payments made over the past six years. The Division should determine the amount of unallowed payments that were made to families and work with the federal government to determine the method and amount of repayment. Additionally, the Division should direct counties to comply with current requirements to stop all subsidy payments after the child's 18<sup>th</sup> birthday unless the child has a physical or mental disability that warrants extension.

(CFDA No. 93.659; Adoption Assistance; Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility.)

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### Recommendation No. 88:

The Division of Child Welfare Services should ensure the State is in compliance with federal and state requirements regarding subsidy payments after children reach the age of 18 by:

- a. Developing and communicating written policies that are in compliance with federal and state requirements.
- b. Monitoring adoption subsidy payments on a regular basis.

- c. Working with the federal government to determine the method and amount of repayment for disallowed costs.

### **Division of Child Welfare Services Response:**

Agree. The Department will monitor subsidy payments as part of its annual monitoring plan. Implementation date: September 1, 2002.

As part of the Division's meetings with the federal government, the Department will address written policy and disallowed costs and communicate this information to county departments.

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## **Guidance on Paying Subsidies**

On occasion an adopted child may be placed out of the adoptive home for a period of time, either to receive treatment related to behavioral or mental health issues or to address alleged abuse or neglect. We found that counties use a number of approaches for handling adoption subsidies when children are placed out of the adoptive home. This is because the Division has not provided clear direction to counties on managing subsidies when this situation occurs. Typically, counties continue the adoption subsidy during the period of the out-of-home placement. However, some counties suspend the payments if the placement is due to abuse or neglect. When counties continue the subsidy during an out-of-home placement, they may assess a fee to the adoptive family to help cover the out-of-home placement cost. We found the following procedures were in use in the seven counties we visited:

- One county always assesses fees for out-of-home placements when the adoption subsidies are continued.
- Two counties sometimes assess fees for out-of-home placements. In these counties the fee assessment practices varied from case to case.
- One county never assesses fees for out-of-home placements when subsidies are continued.
- One county, at the time of our site visit, did not have a policy for assessing fees for out-of-home placements for subsidy cases. This county is in the process of developing a policy because it recently experienced its first out-of-home placement for a subsidy case.

- Two counties discontinue all subsidy payments when children are placed out of the home. As a result, these counties do not need to assess fees.

## **Reimbursement for Children Placed Outside of the Adoptive Home**

During our audit, we identified 18 cases in our sample of 168 cases (11 percent) where children were placed out of the adoptive home. Nine cases involved the child's being placed out of the home due to behavioral issues and nine cases involved abuse or neglect situations. We found that counties handled subsidies for these cases as follows:

- Payments were continued in 13 cases (72 percent). In seven of these cases, fees were assessed for the out-of-home placements. In the remaining six cases, no fees were assessed.
- Payments were suspended in four cases (22 percent).
- Payments were initially suspended in one case (6 percent) but were later reinstated because of requirements stated in the Department rules and regulations. No fees were assessed in this case.

We estimate counties spent more than \$21,000 in monthly adoption subsidies for the seven cases where adoption subsidies were continued and fees for the out-of-home placements were not assessed to the adoptive families. When counties continue adoption subsidies for children in out-of-home placement without charging a fee for the placement, the government is essentially making double-payments for the care of the child during the out-of-home placement period. This is because children who are temporarily removed from their adoptive homes are typically placed in Residential Treatment Centers, Residential Child Care Facilities, or in foster homes, all of which are funded by federal, state, and county sources.

Department rules and regulations authorize counties to assess fees to families whose children are placed out of the home. These fees cannot exceed the monthly adoption subsidy payments to the family. The regulations do not stipulate a procedure for assessing fees. In addition, the Division does not examine financial records when conducting reviews of county subsidized adoption programs. As a result, the Division has not identified the inconsistencies in the ways counties handle subsidies when adoptive children are placed out of the home.

## **Alignment of State Regulations with Federal Requirements**

Federal statutes and policies do not specifically address how adoption subsidies for Title IV-E cases should be handled when a child is temporarily placed outside of the adoptive home. However, they do describe the following circumstances in which a subsidy can be terminated:

- The child attains the age of 18, or 21 in cases where the State determines that the child has a mental or physical handicap which warrants continuation of assistance.
- The State determines that the parents are no longer legally responsible for the support of the child.
- The State determines that the child is no longer receiving any support from the parents.

Further, Title IV-E adoption subsidies can be reduced or stopped if the adoptive parents agree to the change.

The Department has attempted to provide guidance to counties in this area. Specifically, a guidance letter issued by the Department in 1997 states that if a child who is Title IV-E eligible is placed out of the home for any reason, the adoption subsidy must be continued. Similarly, in a written response to a county inquiry in January 2001, the Department stated that subsidies cannot be suspended for Title IV-E cases when children are placed out of the home. However, these directives do not appear to be consistent with the Department rules and regulations, which state:

- The county department shall terminate adoption assistance payments for subsidized adoption when the child is removed from the adoptive home because of abuse or neglect.
- When a child is receiving a state/county only subsidy and is absent from the home for over 30 calendar days, the adoption assistance payments and case services subsidy will be discontinued.
- Children with a Title IV-E adoption assistance subsidy who are out of the home for over 30 calendar days will continue to receive an adoption assistance payment, unless the child is removed from the home because of abuse or neglect.

Division staff told us that they sent the revised rules and regulations cited above to the U.S. Department of Health and Human Service but have not received a response regarding the consistency of the requirements with federal law.

Our review of county procedures found that counties are unclear on how to handle adoption subsidies in out-of-home placement situations. As a result, it is important for the Division to establish and communicate to counties a clear policy on managing adoption subsidies when children are placed out of their adoptive homes. This policy should explain when counties should suspend adoption subsidies for children placed out of their homes and describe the procedures counties should use to assess fees for out-of-home placements. The Division should ensure that this policy is consistent with federal requirements by meeting with federal representatives on this issue and obtaining a written statement regarding the policy. Additionally, Division staff should ensure that counties are complying with this policy by reviewing cases involving out-of-home placements as part of their annual monitoring reviews.

(CFDA No. 93.659; Adoption Assistance; Eligibility.)

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### **Recommendation No. 89:**

The Division of Child Welfare Services should improve how counties handle adoption subsidies when children are temporarily placed out of their adoptive homes by:

- a. Developing a written policy that clearly describes procedures for subsidy payments when children are placed out of their adoptive homes and that is consistent with both state and federal statutes and policies.
- b. Providing training and technical assistance to counties regarding the written policy.
- c. Ensuring that counties comply with the policy by reviewing financial records as part of its monitoring reviews.

### **Division of Child Welfare Services Response:**

Agree. The Department will develop a written policy to address the use of subsidy payments and will provide this information during the month Adoption Supervisors meetings and at regional training sessions. The monitoring reviews will be expanded to include reviewing of financial records. Implementation date: August 1, 2003.

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# Department of Labor and Employment

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## Introduction

The Department of Labor and Employment is responsible for providing services to employers and job seekers, and enforcing laws concerning labor standards, unemployment insurance, workers' compensation, public safety, and consumer protection. Please refer to page 45 in the Financial Statement Findings section for additional background information.

## Cash Management Improvement Act

The Cash Management Improvement Act of 1990 requires the timely transfer of funds between a federal agency and a state, and the exchange of interest where transfers are not made in a timely fashion. The law requires each state to enter into an agreement with the U.S. Secretary of the Treasury, which establishes the procedures the State will use to carry out transfers of funds. According to the U.S. Treasury-State Agreement, State Treasury is responsible for determining the clearance patterns for warrants and electronic funds payments. On the basis of this information, the State Treasurer determines the draw pattern, or how soon federal reimbursements should be requested after the expenditures occur. The draw patterns agencies are required to use for each federal program are included in the Treasury-State Agreement. The Treasury-State Agreement indicates that if the draw patterns and funding techniques listed in the Agreement are followed by each respective agency, no federal or state interest liability will occur. If draw patterns change during the year, the U.S. Treasury must be notified.

Our audit identified three areas of concern with how the Department of Labor and Employment is meeting its responsibilities under the federal cash management requirements:

1. The Unemployment Insurance Benefits (CFDA No. 17.225) drawdowns are not in agreement with the draw pattern established in the U.S. Treasury-State Agreement. The draw pattern in the Agreement is four days. However, the actual draw pattern used by the Department is one day. Therefore, the Department is drawing federal funds sooner based on the terms of the Agreement.

2. The funding techniques used for the Unemployment Insurance Administration and the Unemployment Insurance Benefits (CFDA No. 17.225, Fiscal Year 2002 expenditures = \$37,378,649) are not in agreement with the funding techniques stated in the U.S. Treasury-State Agreement. The funding techniques allowed are either "average," which allows the Department to request reimbursement for expenditures on a daily basis, always a certain number of days after the expenditure, or "composite," which allows accumulation of disbursements for an entire week before requesting disbursements. The funding techniques used differ with the Agreement as follows:
  - The Unemployment Insurance Administration is listed as average. The Department uses the composite funding technique.
  - The Unemployment Insurance Benefits funding technique is listed as composite. The Department uses the average funding technique.
3. The funds request and receipts time for Labor-Non-Unemployment Trust Fund (administration expenses) are not in agreement with the request and receipts time stated in the U.S. Treasury-State Agreement. The funds request and receipts times for these programs are stated as "same day" in the Agreement, but Department of Labor and Employment is actually using "next day." In other words, the Department requests federal funds one day later than the Agreement requires.

If the Department does not use the draw patterns and funding techniques prescribed in the Agreement, there is the risk that the State will lose interest on general funds or incur an interest liability when draws are made too early.

(CFDA Nos. 17.225; Unemployment Insurance; Cash Management)

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### **Recommendation No. 90:**

The Department of Labor and Employment should work with the State Treasurer to ensure that its draw methods and funding techniques achieve interest neutrality with the federal government.



## Department of Labor and Employment Response:

Implemented. The Department of Labor and Employment feels that it has attained interest neutrality with the federal government through its draw methods and funding techniques and that the Department has attempted to communicate this information to the State Treasury on several occasions. The U.S. Treasury-State Agreement does not properly reflect the draw patterns and funding methods used by the Department, even though that information has been communicated to the Treasury. Following are the Department's comments to the three areas of concern:

1. The Cash Management Improvement Act of 1990 allows the State to draw down Unemployment Insurance Benefits when the warrants are issued. The Department has elected not to do that, but to draw down the funds on the same day the funds leave the UI Benefit account. The draw pattern of four days in the US Treasury-State Agreement does not reflect what the Department is doing, nor does it reflect interest neutrality.
  2. The Unemployment Insurance Administration funding technique is listed as "average" in the U.S. Treasury-State Agreement when, in fact, it is "composite." The Unemployment Insurance Benefits funding technique is listed as "composite" when it is "average." Both funding techniques were communicated to the State Treasury accurately, but were somehow transposed when the agreement was written.
  3. For all other federal administrative dollars, the "composite" method is used and funds are requested on the third day after warrant issue for receipt on the fourth day per the warrant clearance pattern established by the State Treasury. The U.S. Treasury-State Agreement states we are drawing down funds for same-day receipt when, in fact, the funds are received the day after they are requested. Again, this fact has been communicated to the Treasury, but is not stated correctly in the agreement.
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# Department of Public Health and Environment

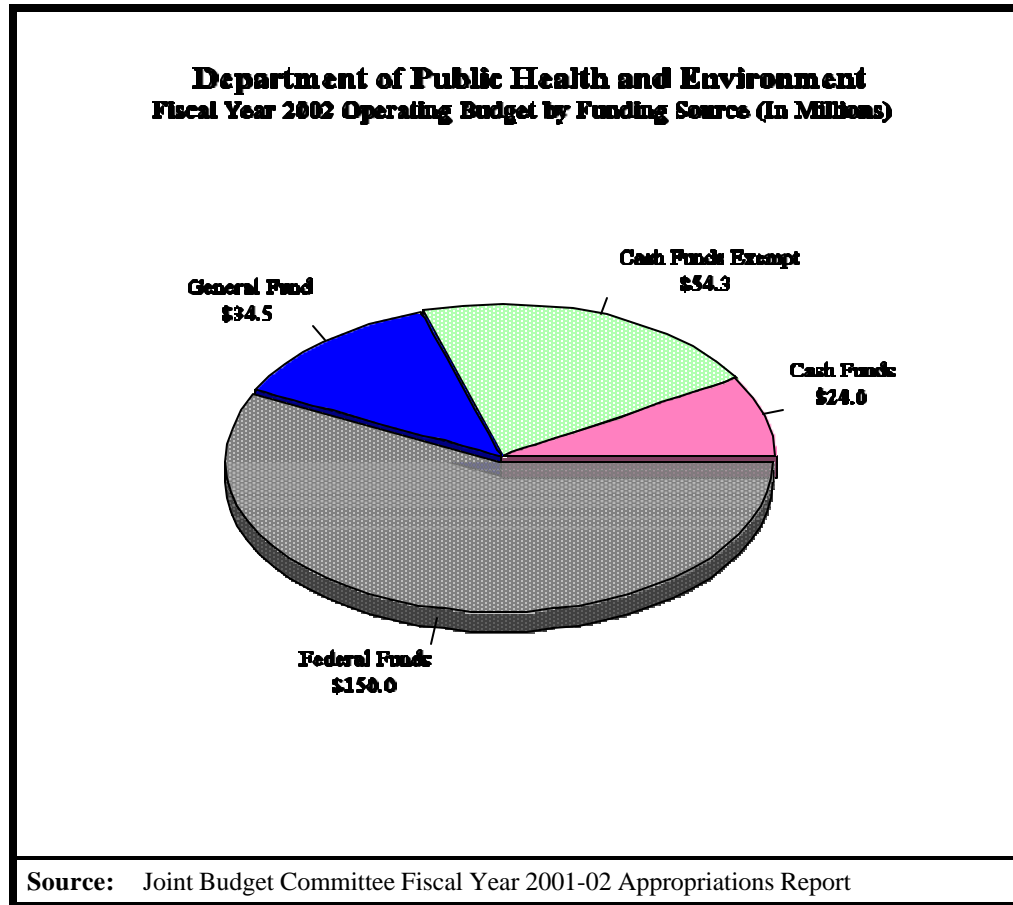
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## Introduction

The Department of Public Health and Environment is responsible for improving and protecting the health of the people of Colorado, maintaining and protecting the quality of Colorado's environment, and ensuring the availability of health and medical care services to individuals and families. The Department is composed of the following major organizational units:

- Administrative Divisions
  - < Administration and Support
  - < Center for Health and Environmental Information
  - < Laboratory and Radiation Services
  - < Local Health Services
  
- Environmental Divisions
  - < Air Quality Control
  - < Water Quality Control
  - < Hazardous Materials and Waste Management
  - < Consumer Protection
  
- Health Services Divisions
  - < Disease Control and Environmental Epidemiology
  - < Family and Community Health Services
  - < Health Facilities
  - < Emergency Medical Services and Prevention
  - < Prevention and Intervention Services for Children and Youth

The Department was appropriated \$262.8 million and 1,092 full-time equivalent staff (FTE) for Fiscal Year 2002. The following chart shows the operating budget by funding source during Fiscal Year 2002.



## Cash Management Improvement Act

The Cash Management Improvement Act of 1990 requires the timely transfer of funds between a federal agency and a state, and the exchange of interest where transfers are not made in a timely fashion. The law requires each state to enter into an agreement with the U.S. Secretary of the Treasury, which establishes the procedures the State will use to carry out transfers of funds. According to the U.S. Treasury-State Agreement, State Treasury is responsible for determining the clearance patterns for warrants and electronic funds payments. On the basis of this information, the State Treasurer determines the draw pattern, or how soon federal reimbursements should be requested after the expenditures occur. The draw patterns agencies are required to use for each federal program are included in the Treasury-State Agreement. The Treasury-State Agreement indicates that if the draw patterns and funding techniques listed in the Agreement are followed by each respective agency, no federal or state interest liability will occur. If draw patterns change during the year, the U.S. Treasury must be notified.

Our audit identified several areas of concern with how the Department of Public Health and Environment is meeting its responsibilities under the federal cash management requirements. The following programs at the Department are included in the Treasury-State Agreement.

<b>Department of Public Health and Environment Programs Included in the Treasury-State Agreement</b>		
<b>Program</b>	<b>CFDA No.</b>	<b>Fiscal Year 2002 Expenditures</b>
Women Infants and Children Program (WIC)	10.557	\$56,517,948
Child Care and Adult Food Program (CCAFP)	10.558	\$22,450,806
Superfund-Summitville Program	66.802	\$ 9,123,277
<b>Source:</b> Office of the State Auditor analysis of Department of Public Health & Environment records.		

During our audit we found that the Department draws down funds for the WIC and CCAFP four days after the expenditures are approved on the State's accounting system. Warrants are issued the next business day after the expenditures are approved. This means that the federal funds are received on the fourth day after the warrants are issued. The Agreement states that the Department should follow a five-day draw pattern. The Department believed that it was following a five-day draw pattern. However, it is unclear from the Agreement whether the payment approval date or the warrant issue date is the first day of the draw pattern. In Recommendation No. 93 of this report, we recommend that the State Treasurer clearly define the terms used in the Agreement in order to ensure that agencies are correctly implementing the required draw patterns.

For the Superfund-Summitville Program, we found that the Department uses a composite rather than an average funding technique as required by the Agreement. An average funding technique allows the Department to request reimbursement for expenditures on a daily basis, a certain number of days after the expenditure is incurred; a composite funding technique allows accumulation of disbursements for an entire week before requesting disbursements. The Department draws twice a week because the Department only receives expenditure reports necessary to do the draws that frequently.

If the Department does not use the draw patterns and funding techniques prescribed in the Agreement, there is the risk that the State will lose interest on general funds or incur an

interest liability when draws are made too early. The Department should clarify its understanding with State Treasury of the terms and methods described in the Agreement to ensure that the State achieves interest neutrality.

(CFDA Nos. 10.557, 10.558, 66.802; Special Supplemental Nutrition Program for Women, Infants, and Children, Child and Adult Care Food Program, Superfund State, Political Subdivision, and Indian Tribe Site - Specific Cooperative Agreements; Cash Management.)

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### **Recommendation No. 91:**

The Department of Public Health and Environment should work with the State Treasurer to ensure that the next amendment to the State-Treasury Agreement reflects the cash draw methods and funding techniques that achieve interest neutrality with the federal government.

### **Department of Public Health & Environment Response:**

Agree. Implementation date: July 1, 2003.

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# Office of the State Treasurer

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## Introduction

The Office of the State Treasurer is established by the State Constitution. The Treasurer is an elected official who serves a four-year term. Please refer to page 95 in the Financial Statement Findings section for additional background information.

## Cash Management Improvement Act

The Cash Management Improvement Act (CMIA) regulates the transfer of funds between federal and state agencies for federal grants. The CMIA regulations require the State to match the time between incurring expenditures for federal programs with state general funds and requesting and receiving federal reimbursement. States are required to enter into a Treasury-State Agreement (Agreement) with the U.S. Treasury. This Agreement specifies the procedures that the State will follow to carry out transfers of funds.

The State has completed the third year of the current Agreement. The Agreement lasts five years (until Fiscal Year 2004) and may be modified by either party. In Fiscal Year 2002 there were 30 programs covered by CMIA at the Departments of Education, Health Care Policy and Financing, Human Services, Labor and Employment, Local Affairs, Public Health and Environment, and Transportation. These programs had federal expenditures of about \$1.4 billion in Fiscal Year 2002.

## Amending the Treasury-State Agreement

Sections 4 and 5 of the Agreement identify the programs and agencies covered by the Agreement based on the program expenditure threshold of \$10 million in federal funds. These sections should be amended each year to add programs and agencies that are expected to exceed the established threshold and to delete programs and agencies that are expected to fall below the established threshold.

The Treasurer's Office did not amend the pertinent sections of the Treasury-State Agreement based on the most current and accurate information available. As a result, certain programs not meeting the required threshold were included and certain programs that do meet the required threshold were not included. In particular, based on the Fiscal

Year 2001 Schedule of Expenditures of Federal Awards, the following programs should not have been included in the Agreement:

<b>Programs Under the \$10 Million Threshold</b>		
<b>Program</b>	<b>CFDA No.</b>	<b>Fiscal Year 2001 Expenditures</b>
Employment and Training Assistance	17.246	\$773,767
Job Training Partnership Act	17.250	\$1,570,727
<b>Source:</b> Office of the State Auditor analysis of Treasurer's Office records. <b>Note:</b> The programs listed above were below the \$10 million threshold but were improperly included in the Fiscal Year 2002 Amendment to the Treasury-State Agreement.		

The following program should have been included in the Agreement for the past two years and was not:

<b>Program Over the \$10 Million Threshold</b>		
<b>Program</b>	<b>CFDA No.</b>	<b>Fiscal Year 2001 Expenditures</b>
Adoption Assistance	93.659	\$15,051,956
<b>Source:</b> Office of the State Auditor analysis of Treasurer's Office records. <b>Note:</b> The program listed above was above the \$10 million threshold but was improperly excluded from the Fiscal Year 2002 Amendment to the Treasury-State Agreement.		

The Treasurer's Office should obtain the most current and accurate information available from both the State Controller's Office and state agencies covered by the Agreement in order to ensure that the correct programs are included in the Agreement. The State Controller's Office can provide a preliminary Schedule of Expenditures of Federal Awards (SEFA) for the current year that could be used in amending the Agreement. For example, the Fiscal Year 2002 Amendment should have been based on the Fiscal Year 2001 SEFA. In addition, agencies should communicate any significant changes in funding levels or program reorganizations resulting in new programs and the elimination of old programs. Without this information, the State risks not including the appropriate programs in the Agreement and, therefore, not meeting cash management requirements for large programs.

(See Appendix A, Office of the State Treasurer, for listing of applicable CDFA Nos.; Cash Management.)

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## **Recommendation No. 92:**

The Treasurer's Office should obtain and use the most current and accurate information available on federal program expenditures to annually amend the Treasury-State Agreement.

### **Treasurer's Office Response:**

Partially agree. Since the inception of the Cash Management Improvement Act (CMIA) program in 1993, the Treasury has sought to obtain and use the most current and accurate information available. In Fiscal Year 2002, three grants representing 0.4 percent of the dollars covered by CMIA were erroneously presented in the U.S. Treasury-State Agreement. In no case did these erroneous presentations have an adverse affect on the CMIA program or upon the State of Colorado.

Two of the grants (17.246 and 17.250) were erroneously presented in table 6.3 of the Agreement, but were accurately excluded from Exhibit II . Exhibit II is the primary document used by the various state departments to implement the CMIA program. Consequently, no adverse interest payments to the federal government were caused by this error.

One grant (93.659) was erroneously excluded from Exhibit II. However, this exclusion was due to the information received from the state Department that manages the grant. Further, the Department certified that Exhibit II was accurate. Nevertheless this particular error does have the potential to incur interest costs to the State. Accordingly, the Treasury will develop new communication materials by June 1, 2003, to ensure state departments better understand the information they need to provide to the Treasury.

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## **Compliance With Funding Techniques and Draw Patterns**

Section 6 of the Agreement describes and identifies the funding techniques to be used for each program. Exhibit II of the Agreement identifies the draw pattern that should be followed for each program. During our audit at the Department of Public Health and Environment and the Department of Labor and Employment, we found that both



departments were using funding techniques and draw patterns that were different from those prescribed in the Agreement. This was in part because the departments interpreted the terms and methods used in the Agreement differently. We also found that the Department of Human Services was not complying with its established draw pattern.

Failure to follow the correct draw patterns and funding techniques negatively impacts the State either through loss of interest on state general funds when draws are made too late or potential interest liability when draws are made too early. Draw patterns and funding techniques have been established by State Treasury based on studies of payment clearance and cash receipt patterns. Unless the State Treasury determines that changes have occurred in these patterns since the studies were performed, draw patterns and funding techniques should not be modified.

(See Appendix A, Office of the State Treasurer, for listing of applicable CDFA Nos.; Cash Management.)

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### **Recommendation No. 93:**

The Treasurer's Office should define the terms and methods used to establish funding techniques and draw patterns and provide the definitions to each department subject to the Agreement.

### **Treasurer's Office Response:**

Partially agree. The Department currently and since the inception of the CMIA program in 1993 has communicated definitions of the CMIA funding techniques and draw patterns to each involved department. These communications include a definition of the point where the elapsed time for federal reimbursement begins. However, one of the seven departments involved in the CMIA program did not correctly implement the funding techniques and draw patterns. This error could have increased interest costs for the State. Accordingly, the Treasury will develop new communication materials by June 1, 2003, to ensure state departments better understand the instructions they receive from the Treasury.

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# Summary of Auditor's Results

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## Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_yes no
- Reportable conditions identified that are not considered to be material weaknesses? yes \_\_\_\_\_none reported

Noncompliance material to financial statements noted?

\_\_\_\_\_yes no

## Federal Awards

Internal control over major programs:

- Material weaknesses identified? \_\_\_\_\_yes no
- Reportable conditions identified that are not considered to be material weaknesses yes \_\_\_\_\_none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

yes \_\_\_\_\_no

## Identification of major programs:

<b>CFDA Number</b>	<b>Name of Federal Program or Cluster</b>
10.551, .561	Food Stamp Program Cluster
15.unknown	Royalties Management/National Forest
17.225	Unemployment Insurance
17.258	Workforce Investment Act (WIA) Adult Program
17.259	Workforce Investment Act (WIA) Youth Activities
17.260	Workforce Investment Act (WIA) Dislocated Workers
20.205	Highway Planning and Construction
64.005	Grants to States for Construction of State Facilities
84.048	Vocational Education: Basic Grants to States
93.268	Immunization Grants
93.558	Temporary Assistance for Needy Families (TANF)
93.568	Low-Income Home Energy Assistance
93.658	Foster Care: Title IV-E
93.659	Adoption Assistance
93.767	State Children's Insurance Program (Children's Basic Health Plan)
93.775, .777, .778	Medicaid Cluster
93.917	HIV Care Formula Grants
96.001	Social Security: Disability Insurance



# Disposition of Prior Year Audit Recommendations

The following audit recommendations are summarized from the Statewide Audit for Fiscal Years 1997 through 2001 and include only the recommendations not implemented in those fiscal years. The Statewide Audit includes both financial audit and Single Audit recommendations.

<b>Report and Rec. No.</b>	<b>Recommendation</b>	<b>Disposition</b>
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## Department of Agriculture

2001 Single Audit Rec. No. 1	Complete a review of employee personnel files and reconfirm that withholding documentation is accurate and complete.	Implemented.
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## Department of Corrections

2001 Single Audit Rec. No. 2	Review the policy on communicating employee status changes with department supervisors.	Implemented.
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## Department of Health Care Policy and Financing

2001 Single Audit Rec. No. 3	Ensure all accounts receivable balances are reconciled on a periodic basis and all federal receivables not subsequently collected are resolved within one year.	Implemented.
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**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 38

Ensure payments are made only for allowable costs by (a) requiring current Electronic Data Interchange agreements for every provider, (b) establishing procedures to test providers' compliance with established requirements, (c) ensuring transportation payments are made only to authorized providers, and (d) establishing reviews of the Medicaid claims process.

a. Partially implemented. The Department has worked with the fiscal agent, Affiliated Computer Services (ACS), to update Electronic Data Interchange (EDI) agreements. ACS has currently updated 2,250 provider files with EDI agreements. See current year Recommendation No. 26.

b. Partially implemented. The Department initiated a process during the third quarter of Fiscal Year 2002 to randomly test three pharmacies per quarter to review signature logs and applicable credits. We will continue follow-up on newly implemented departmental procedures in Fiscal Year 2003. See current year Recommendation No. 24.

c. Partially implemented. Effective May 1, 2002 the Non-Emergent Medical Transportation (NEMT) regulations were changed to require every transportation trip to have prior authorized by the county or the county's transportation broker. The Department will be disenrolling all transportation providers from the Medicaid Management Information System (MMIS) effective October 1, 2002. We will continue our follow-up in Fiscal Year 2003.

d. Partially implemented. See current year Recommendation No. 24.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 39

Ensure adequate controls are in place over automated systems for the Medicaid program by (a) performing and documenting the required biennial risk analysis for the Medicaid Management Information System (MMIS) and (b) implementing a regular, systematic, independent assessment of controls over MMIS.

Implemented.

2001 Single Audit  
Rec. No. 40

Strengthen controls over the eligibility process by (a) working with the Department of Human Services to ensure all county departments of social services are maintaining adequate files for Medicaid-eligible beneficiaries. (b) establishing control procedures to ensure claims are not paid for an individual who is ineligible for benefits, and (c) performing periodic random testing of eligibility claims.

a. Partially implemented. The Department will continue to conduct federally approved quality control pilots to monitor eligibility determinations that will include case file reviews.

Additionally the Department will develop a comprehensive procedures manual to be used by county departments of social services. This manual will include proper case file maintenance procedures. The manual is scheduled to be completed July 2003.

b. Partially implemented. The change to the MMIS is still in progress with respect to recovering improperly paid capitation claims. Policy decisions have been resolved and the required change to MMIS is in development. The expected completion for the change is December 2002.

c. Not implemented. See current year Recommendation No. 25.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 41

Improve controls over provider eligibility by (a) requiring that the fiscal agent ensure each file includes documentation of a current provider agreement and applicable provider licenses and registrations, (b) ensuring expenditures are made only to eligible providers, and (c) formalizing a five-year strategic plan for provider reenrollment.

a. Partially implemented. The Department continues to work on updating the provider files. There have been updates of EDI agreements to the provider files as well as the termination of providers who are not eligible to provide services in the Medicaid program. Updating provider files is part of the Department's five-year plan to improve provider information. The Health Insurance Portability and Accountability Act may alter the Department's five-year plan depending on the mandated requirements. See current year Recommendation No. 26.

b. Partially implemented. As part of the Department's process of updating the provider files, the Department terminated 746 providers who were not eligible to provide services in the Medicaid program. This was largely a manual process as complete electronic data matches of licenses are not possible at this time. We will continue our follow-up in Fiscal Year 2003.

c. Partially implemented. A strategic plan was submitted to the State Auditor's Office in May 2002. The Department has terminated 746 providers who are not eligible to provide services in the Medicaid program updated the files of 2,250 providers with their EDI agreements. We will continue our follow-up in Fiscal Year 2003.



**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 42

Improve documentation of program integrity cases by (a) ensuring all cases are handled consistently and timely and (b) requiring that case files contain all required supporting documentation and approvals.

Implemented.

2001 Single Audit  
Rec. No. 43

Require a periodic review of eligibility determination for the Children's Basic Health Plan to ensure proper enrollment.

Implemented.

2001 Single Audit  
Rec. No. 44

Modify the Interagency Agreement with the Department of Human Services for single entry point (SEP) subrecipient monitoring by (a) conducting risk assessments for each SEP to evaluate the need for an on-site financial review and (b) requiring that all SEPs receive an on-site financial review within a reasonable period of time.

a. Partially implemented. The Department met with the Department of Human Services and developed a prioritized list of Options Long Term Care agencies, or single entry point (SEP) subrecipients, for compliance reviews based upon when the last financial compliance review was completed and any current financial concerns. The Department expects that five SEP agencies will receive an onsite Financial Compliance Review for Fiscal Year 2003. We will continue our follow-up in Fiscal Year 2003.

b. Not implemented. Due to budget constraints, the Department has been unable to secure funding to conduct on-site Financial Compliance Reviews for all SEP agencies. We will continue our follow-up in 2003.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 45

Ensure claims processed through MMIS are accurate and allowable under the Medicaid program by (a) establishing performance measures for claims processing, (b) conducting regular claims audits, (c) reporting all errors and problems identified in the claims audit, and (d) ensuring corrective action plans are developed and implemented in a timely manner.

- a. Implemented.
- b. Partially implemented. Department staff completed only two claims audits, or Claims Processing Assessment System (CPAS) reviews, during Fiscal Year 2002 rather than completing the reviews quarterly. In Fiscal Year 2003, the Department plans to complete two CPAS reviews. Department staff explained that the CPAS reviews are not currently a priority for the Department and that the Department's first priority is complying with the federal Health Insurance Portability and Accountability Act. Staff report that budget reductions require that the Department focus its resources on this project, leaving little time for CPAS reviews. We will continue our follow-up in 2003.
- c. Implemented.
- d. Partially implemented. Department staff report that they resolved all findings of the most recent CPAS review without a formal corrective action plan. Staff tracked resolution informally through meeting notes. Thus, we could not identify corrective actions taken in response to the CPAS review. We will continue our follow-up in 2003.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 46

Ensure claims processed are accurate and allowable by requiring the fiscal agent to (a) expand quality assurance procedures for testing the accuracy of data entry on paper claims, (b) conduct regular audits of paid claims on a defined percentage of processed claims, and (c) increase oversight of edit resolution claim technicians and reassess production requirements to ensure suspended claims are appropriately resolved.

Implemented.

2001 Single Audit  
Rec. No. 47

Establish the review of MMIS edits, edit dispositions, and edit resolution text as a high priority.

Partially implemented. Department staff completed a cursory review of all edits in December 2001. Staff are still reviewing more complicated edits (e.g., edits testing for duplicate claims or edits with utilization review criteria). The edit review process slowed down when Department staff reduced the frequency of edit review meetings to biweekly in order to focus on HIPAA issues. Further, because the Department does not sufficiently document the edit review process, we could not determine how much progress the Department has made in reviewing all edits. Additionally, Department staff reported that only "active" edits are being reviewed. Thus, any edits improperly set to "off" will not be found through the edit review process currently in place. The fiscal agent has developed and implemented improved training and monitoring procedures. We will continue our follow-up in 2003.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 48

Develop and implement adequate controls over the provider database in MMIS by establishing formal policies, procedures, and time frames for (a) routine reenrollment of Medicaid providers, (b) deactivation of providers who have not submitted claims to the Medicaid program for specified lengths of time, and (c) periodic data matches on provider credential information with other state agencies that regulate Medicaid providers.

- a. Implemented.
- b. Implemented.
- c. Partially implemented. In order to perform the data match that led to the February 19, 2001 termination of providers with inactive licenses, the Department had to hire a temporary FTE to manually match files on a tape from the Department of Regulatory Agencies with providers in MMIS. Department staff reported that it is unlikely that they will have the resources to hire temporary employees for future manual data matches. We will continue our follow-up in 2003.

2001 Single Audit  
Rec. No. 49

Establish routine communication on disciplinary actions taken by other state agencies that regulate Medicaid providers.

Implemented.

2001 Single Audit  
Rec. No. 50

Implement edits in MMIS to review laboratory claims for compliance with Clinical Laboratory Improvement Amendment (CLIA) requirements in accordance with state Medicaid policy.

Not implemented. The CLIA edits had not been reviewed by the Department at the time of our follow-up work. We will continue our follow-up in 2003.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 51

Work with the General Assembly to develop more appropriate service limits for HCBS and home health services.

Deferred. The Department reports that it has made recommendations to the Joint Budget Committee as part of the Fiscal Year 2004 budget process relating to developing more appropriate service limits. Final budgetary decisions have not yet been made. We will continue our follow-up in Fiscal Year 2003.

2001 Single Audit  
Rec. No. 52

Routinely monitor the overall costs of skilled and unskilled care for individuals in community settings.

Implemented.

2001 Single Audit  
Rec. No. 53

Monitor the implementation of the home health rules.

Implemented.

2001 Single Audit  
Rec. No. 54

Increase the value added by its Program Integrity Unit.

Implemented.

2001 Single Audit  
Rec. No. 55

Work with the State's Fiscal Agent to implement additional system edits and controls. Further, the Department should perform ongoing reviews of the edits in place.

Partially implemented. The Department has worked with the State Fiscal Agent to add the necessary system edits and controls to address the types of issues identified in the audit. We will continue our follow-up in Fiscal Year 2003.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 56

Evaluate the costs and benefits of combining assessment and eligibility determination, and establish an independent review of these processes.

Partially implemented. The Department is redesigning the long-term benefit eligibility process. The new instrument is about to undergo testing and rules are being promulgated that could make the new process effective as early as April 2003. This will combine initial and subsequent determinations and be administered by the Single Entry Point agencies and utilization review contractors. We will continue our follow-up in Fiscal Year 2003.

2001 Single Audit  
Rec. No. 57

Include enforcement actions in the SEP contracts.

Implemented.

1999 Single Audit  
Rec. No. 6

Recognize and work to meet federal limits for non-benefit activity costs under the Children's Health Insurance Program.

Implemented.

1999 Single Audit  
Rec. No. 29

Ensure that all nursing facilities receive in-depth reviews of billing practices and personal needs funds on a systematic basis.

Partially implemented. The Department expects to have personnel in the field by January 2003. We will continue our follow-up in Fiscal Year 2003.

1999 Single Audit  
Rec. No. 30

Undertake a comprehensive review of high-risk programs that result in inappropriate payments, and modify policies and procedures to prevent payment of inappropriate claims.

Partially implemented. The Department expects to have reviews begin during 2003. We will continue our follow-up in Fiscal Year 2003.

<b>Report and Rec. No.</b>	<b>Recommendation</b>	<b>Disposition</b>
<b>Children's Basic Health Plan</b>		
2000 Single Audit Rec. No. 41	The Children's Basic Health Plan Policy Board and the Department of Health Care Policy and Financing should identify options for reducing administrative layers and costs for the Children's Basic Health Plan and submit recommended changes to the General Assembly as needed.	Implemented.
2000 Single Audit Rec. No. 50	Ensure consistent and accurate eligibility data are reflected online at Anthem and Child Health Advocates.	Implemented.
<b>Department of Health Care Policy and Financing and Department of Human Services</b>		
2001 Single Audit Rec. No. 4	Work together to assign responsibilities for overall cost control over Medicaid funding for Department of Human Services.	Implemented.
2001 Single Audit Rec. No. 5	Operate within their fixed budgets when possible, and identify and request approval for unavoidable overexpenditures in a timely manner.	Implemented.
2001 Single Audit Rec. No. 6	Improve coordination and communication to ensure that expenditures are appropriately and consistently charged and that expenditures are transferred timely.	Implemented.

<b>Report and Rec. No.</b>	<b>Recommendation</b>	<b>Disposition</b>
2001 Single Audit Rec. No. 7	Institute a quarterly process for reviewing and reconciling Medicaid expenditures for Department of Human Services programs recorded at the Department of Health Care Policy and Financing.	Implemented.
2001 Single Audit Rec. No. 8	Improve management of Medicaid funds by (a) establishing monthly reconciliation processes within Medicaid-funded programs and (b) implementing an analytical review process over Medicaid activity.	Implemented.
2001 Single Audit Rec. No. 9	Follow generally accepted accounting principles related to accounts payable by (a) calculating appropriate year-end estimates and (b) reviewing expenditures charged to accounts payable after year-end.	Implemented.

## **Department of Higher Education**

### **Colorado Historical Society**

2001 Single Audit Rec. No. 10	Ensure the Byers-Evans House submits cash register tapes with all revenue remittances.	Implemented.
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### **University of Colorado at Boulder**

2001 Single Audit Rec. No. 58	Ensure that review of audit reports of subrecipient monitoring activity addresses proper review and resolution of findings noted in the reports.	Implemented.
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**Report and  
Rec. No.**

**Recommendation**

**Disposition**

**University of Colorado - Colorado Springs**

2000 Single Audit  
Rec. No. 6

Strengthen processes over fixed assets.

Implemented.

**Colorado Student Loan Division**

1999 Single Audit  
Rec. No. 37

Continue to exercise due diligence to obtain information from the lenders on loans closed by the lender.

Implemented.

**University of Southern Colorado**

2001 Single Audit  
Rec. No. 59

Should (a) ensure the promissory notes addendum is provided to students and included in their files, (b) ensure timely contact with borrowers during grace periods, (c) obtain adequate documentation from students for loan deferments or cancelled loans, (d) ensure contact with borrowers in default is performed as required, (e) conduct exit counseling with borrowers, (f) ensure those responsible for the federal Perkins Loan Program are properly trained, and (g) consider outsourcing the federal Perkins loan database administration and collection functions.

Partially implemented. The University has implemented procedures to address all parts of the recommendation except for part (c). We noted instances in our current year testing where documentation supporting the reason for the deferment or cancellation of loan payments was not evident in the student's loan file. See current year Recommendation No. 39.

2001 Single Audit  
Rec. No. 60

Implement procedures to ensure that returns of Title IV funds are calculated accurately for all students, and returned to Title IV programs on a timely basis.

Implemented.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

**University of Northern Colorado**

2001 Single Audit  
Rec. No. 61

Change the beginning of the grace period for Perkins loan borrowers who withdraw from the University or drop to less than half-time enrollment.

Implemented.

**Colorado School of Mines**

2001 Single Audit  
Rec. No. 62

Ensure subrecipient files are properly maintained, and provide documentation for the subrecipient monitoring that has occurred.

Not implemented. See current year Recommendation No. 54.

2001 Single Audit  
Rec. No. 63

Ensure counseling sessions are performed and documented.

Implemented.

**Department of Human Services**

2001 Single Audit  
Rec. No. 11

Record expenditures within the proper appropriations and reverse unused accounts payable accruals.

Partially implemented. We identified several unused accounts payable accruals that were not reverted timely. We will continue our follow-up in Fiscal Year 2003.

2001 Single Audit  
Rec. No. 12

Improve controls over fixed assets by (a) completing quarterly reconciliations between fixed asset expenditures and additions to fixed assets and (b) correcting identified errors on COFRS prior to fiscal year-end.

Not implemented. We continued to identify weaknesses in the Department's controls over fixed assets. We will continue our follow-up in Fiscal Year 2003.

2001 Single Audit  
Rec. No. 13

Ensure securities held as retainage for construction projects are recorded in COFRS accurately and in a timely manner.

Implemented.

<b>Report and Rec. No.</b>	<b>Recommendation</b>	<b>Disposition</b>
2001 Single Audit Rec. No. 64	Develop a formalized process for on-site monitoring of county activities for the TANF program to ensure that federal and state requirements are met, including a time frame for conducting county reviews and specific steps for performing follow-up.	Implemented.
2001 Single Audit Rec. No. 65	Ensure adequate controls over fraud and abuse in the TANF program by counties by (a) requiring counties to submit standards and procedures, (b) reviewing these standards and procedures for compliance to the State Plan, (c) developing a formal process that includes a monitoring schedule for reviews of county fraud procedures and cases, and (d) following up on problems identified during county reviews.	Implemented.
2001 Single Audit Rec. No. 66	Ensure federal funds are drawn down in a timely manner for all federal programs.	Partially implemented. See current year Recommendation No. 61.
2001 Single Audit Rec. No. 67	Improve inventory controls for the Food Distribution Program by (a) resolving identified discrepancies and (b) developing formal procedures for tracking commodities.	Partially implemented. While the Department has made improvements in this area, we continued to identify problems with one distributor. We will continue our follow-up in Fiscal Year 2003.
2001 Single Audit Rec. No. 68	Segregate duties within the Food Distribution Program.	Implemented.
2001 Single Audit Rec. No. 69	Improve controls over the Vocational Rehabilitation program to ensure compliance with federal and state regulations by (a) reinstating on-site quality assurance reviews and (b) documenting supervisory review procedures.	Implemented.

<b>Report and Rec. No.</b>	<b>Recommendation</b>	<b>Disposition</b>
2001 Single Audit Rec. No. 70	Strengthen fiscal controls and accounting procedures over reporting for the Vocational Rehabilitation Program by (a) maintaining adequate documentation, (b) reviewing reports prior to submission, and (c) documenting procedures for preparation of the reports.	Implemented.
2001 Single Audit Rec. No. 71	Should (a) develop and/or formalize policies and procedures for all CFMS functional areas, (b) perform a comprehensive review of existing policies and procedures, (c) perform periodic review of policies and procedures, and (d) establish a process to monitor compliance with policies and procedures.	Implemented.
2001 Single Audit Rec. No. 72	Require DynCorp to review the current database access structure for appropriate segregation of duties. The Department should establish procedures that require appropriate authorization of logical access and change database passwords periodically.	Implemented.
2001 Single Audit Rec. No. 73	Modify the agreement with DynCorp to include responsibility for application change management.	Implemented.
2001 Single Audit Rec. No. 74	Require DynCorp to strengthen adherence to application change management policies and procedures.	Implemented.
2001 Single Audit Rec. No. 75	Develop, formalize, and monitor policies and procedures related to database administration.	Implemented.

<b>Report and Rec. No.</b>	<b>Recommendation</b>	<b>Disposition</b>
2001 Single Audit Rec. No. 76	Designate a UNIX administrator.	Implemented.
2001 Single Audit Rec. No. 77	Consider utilization of database audit functionality.	Implemented.
2001 Single Audit Rec. No. 78	Should (a) strengthen adherence to application user access setup policies, (b) eliminate all generic user IDs with published passwords, and (c) review user access periodically.	Implemented.
2001 Single Audit Rec. No. 79	Review positions and responsibilities to ensure all critical duties are performed in a timely manner while maintaining an appropriate segregation of duties.	Implemented.
2001 Single Audit Rec. No. 80	Work with the Department of Health Care Policy and Financing to identify the most cost-effective methods for having financial compliance reviews completed more frequently.	Not implemented. Although the Departments met at the beginning of Fiscal Year 2002 to develop a schedule for financial compliance reviews, the frequency of reviews has not been increased due to a lack of funding. We will continue our follow-up in Fiscal Year 2003.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2000 Single Audit  
Rec. No. 12

Improve the audit process for the purchasing card program by (a) performing monthly reviews of transactions or cardholders, (b) documenting audit procedures, and (c) enforcing disciplinary action when necessary.

Parts a and b: Implemented.

Part c: Partially implemented. We were unable to determine in some cases, due to insufficient documentation, whether the Department was performing adequate follow-up on noted deficiencies. We will continue our follow-up in Fiscal Year 2003.

2000 Single Audit  
Rec. No. 13

Ensure payroll expenditures are accurate.

Implemented.

2000 Single Audit  
Rec. No. 14

Require documentation of supervisory approval on all time sheets for those employees eligible for overtime and shift pay.

Implemented.

2000 Single Audit  
Rec. No. 16

Eliminate duplicate payment and service provision systems for mental health services at the Regional Centers.

Implemented.

1997 Single Audit  
Rec. No. 9

The Division of Vocational Rehabilitation should (a) examine the types of services it purchases and develop a process for competitively bidding those services and (b) work with the Division of Purchasing to ensure that its new procedures comply in all respects with purchasing requirements.

Partially implemented. Concerns remain regarding payments made to one provider. We will continue our follow-up in Fiscal Year 2003.

**Division of Child Support Enforcement**

2000 Single Audit  
Rec. No. 61

Ensure appropriate actions are taken on child support cases.

Implemented.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2000 Single Audit  
Rec. No. 62

Continue to work with the counties that are not in compliance with state child support regulations, and impose sanctions on those counties that have ongoing problems with compliance and that do not make good faith efforts to improve.

Deferred. We will continue our follow-up in Fiscal Year 2003.

**Department of Labor and Employment**

2001 Single Audit  
Rec. No. 14

Isolate and identify the indirect allocation charges for federal grants and perform a reconciliation to the State's financial reporting system periodically.

Implemented.

2001 Single Audit  
Rec. No. 81

Improve coordination efforts between Welfare-to-Work, Temporary Assistance to Needy Families (TANF), and other employment programs in the State.

Partially implemented. The Department has not formalized its relationship through memoranda of understanding with its state partners involved in TANF, the Food Stamp Employment and Training Program, and other unemployment programs. We will continue our follow-up in 2003.

2001 Single Audit  
Rec. No. 82

Identify and implement solutions to ensure timely delivery of payroll documents to Welfare-to-Work clients.

Implemented.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 83

Improve how the State's Welfare-to-Work programs are monitored.

Partially implemented. Department staff did not receive the annual reports from regions with subrecipients by September 30, 2001. However, as a result of the follow-up audit, staff obtained updates from the two regions with subrecipients. The Department should ensure that regions submit information on an annual basis that shows that they are monitoring their subrecipients. The Department did not provide documentation showing that staff follow up on recommendations made by the Department and the U.S. Department of Labor to regions related to the Welfare-to-Work Program.

2001 Single Audit  
Rec. No. 84

Ensure that workforce regions maintain complete and accurate records on Welfare-to-Work clients.

Implemented.

**Department of Military Affairs**

2001 Single Audit  
Rec. No. 15

Improve oversight of financial activity and ensure controls over accounting functions are adequate.

Deferred. We will continue our follow-up during Fiscal Year 2003.

2001 Single Audit  
Rec. No. 16

Reduce delays in processing transactions.

Partially implemented. The Department established procedures which have reduced delays in its processing of transactions. In addition, the Department is currently developing a procedures manual for program managers and has taken steps to update its capital assets. We will continue our follow-up during Fiscal Year 2003.



**Report and  
Rec. No.**

**Recommendation**

**Disposition**

**Department of Natural Resources**

**Oil and Gas Conservation Commission**

2001 Single Audit  
Rec. No. 17

Ensure that all certificates of deposit are in compliance with statutory and other legal requirements by (a) determining whether they are being held in eligible public depositories, (b) notifying operators of the need to move existing certificates of deposit, (c) enforcing the transfer of all certificates of deposit to eligible public depositories, and (d) working with the Attorney General's Office to determine who should be designated as the official custodian of the certificates of deposit.

Implemented.

**Division of Wildlife**

2001 Single Audit  
Rec. No. 18

Improve controls to reduce the number of cancelled payments by (a) ensuring applicant information is correct, (b) cross-checking between returned limited license refund checks and returning applicants, (c) following up on returned limited license refunds, (d) documenting the reason for a duplicate payment, and (e) documenting the reason for cancelling a warrant.

Parts a, b, and c: Deferred. The Division plans to implement an on-line Point of Sale Licensing system and plans to have the system operational by Fiscal Year 2003. We will continue our follow-up in Fiscal Year 2003.

Parts d and e: Not implemented. See current year Recommendation No. 12.

2000 Single Audit  
Rec. No. 22

Improve controls over license inventory by (a) reducing excess license inventories and (b) tracking voided licenses separately.

Deferred. The Division plans to implement an on-line Point of Sale Licensing system and plans to have the system operational by Fiscal Year 2003. We will continue our follow-up in Fiscal Year 2003.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

**Division of Minerals and Geology**

2001 Single Audit  
Rec. No. 19

Perform a monthly reconciliation between internal databases and the State's accounting system for (a) mined land reclamation deposits and (b) cash receipts.

Implemented.

2000 Single Audit  
Rec. No. 24

Ensure that all deposits are in compliance with statutory and other legal requirements that require deposits be held in public depositories.

Implemented.

**Department of Personnel and Administration**

2001 Single Audit  
Rec. No. 20

Monitor sick and annual leave on a statewide basis by (a) reviewing the adequacy of leave tracking systems and (b) establishing a project schedule and deadlines for implementing a statewide automated leave system.

Deferred. The Department has developed a schedule to review all agency's leave tracking systems as part of its total compensation audits. These audits are scheduled to be completed in Fiscal Year 2003. The Department is in the process of evaluating a statewide leave tracking system. This system is being piloted at three departments. We will continue our follow-up in Fiscal Year 2003.

2001 Single Audit  
Rec. No. 21

Should ensure that (a) the payroll process duties are segregated and (b) all divisions receive and review their payroll expense reports, and payroll staff review and verify that each division confirms the accuracy of its monthly and biweekly payroll in a timely manner.

Not implemented. See current year Recommendation No. 13.

2001 Single Audit  
Rec. No. 22

Implement procedures to review Central Collections' supporting documentation prior to approval of payments.

Not implemented. See current year Recommendation No. 14.

<b>Report and Rec. No.</b>	<b>Recommendation</b>	<b>Disposition</b>
<b>State Controller's Office</b>		
2001 Single Audit Rec. No. 23	Assess ongoing problems identified during audits, and assist agencies in addressing and resolving high priority problems.	Ongoing.
2001 Single Audit Rec. No. 24	Record write-offs of uncollectible accounts receivable as a current year expense in the year in which the determination is made, unless evidence exists that attributes the adjustment to a prior period.	Ongoing.
2001 Single Audit Rec. No. 25	Eliminate the prenotification requirement or reduce the time period to ensure initial EFT payments to vendors are made in a timely manner.	Implemented.
<b>State Archives</b>		
2001 Single Audit Rec. No. 26	Work with the General Assembly to establish standards for records management.	Deferred. Statutory changes concerning management of public records will be sought during the 2003 session. We will continue our follow-up in Fiscal Year 2003.
2001 Single Audit Rec. No. 27	Require the submission of inventory listings of records stored and storage space used from each agency.	Deferred. Archives has begun a process to collect this information from agencies starting in July 2002. We will continue our follow-up in Fiscal Year 2003.
2001 Single Audit Rec. No. 28	Improve communication regarding(a) records management policies and procedures, (b) purging and destroying records, and (c) maintenance and storage of records.	Partially implemented. Archives created a users group. As of July 2, 2002, two introductory meetings were held. We will continue our follow-up in Fiscal Year 2003.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 29

Convert the current cataloging system from a paper to an electronic format.

Deferred. Archives has looked at several commercial software programs and is in the process of evaluating them. We will continue our follow-up in Fiscal Year 2003.

2001 Single Audit  
Rec. No. 30

Ensure that training is available to all agencies by (a) taking steps to publicize the type and nature of training that is available and (b) conducting general training sessions for all agency records officers.

Deferred. Archives plans to coordinate the annual training session with the Archive's user group. We will continue our follow-up in Fiscal Year 2003.

**Central Services**

2001 Single Audit  
Rec. No. 31

Ensure that there is (a) proper segregation of duties and limited access to necessary functions by employees and (b) backups of application files and master data files stored off-site in case of a disaster.

Implemented.

**Department of Public Health and Environment**

1999 Single Audit  
Rec. No. 20

Assemble a team with appropriate representatives to define the procedures for documenting application events, vendor responses, and communicating information. The team should follow up and report on findings of the Post Implementation Review.

Partially implemented. Procedures have been defined. A new Custom Accounts Receivable System (CARS) will be installed and tested during September 2002. The new system should be fully operational by December 31, 2002. We will continue our follow-up in Fiscal Year 2003.

<b>Report and Rec. No.</b>	<b>Recommendation</b>	<b>Disposition</b>
<b>Health Facilities Division</b>		
2001 Single Audit Rec. No. 85	Improve the home health and HCBS survey process by (a) requiring supervisors to review survey documents, (b) ensuring that surveyor performance evaluations include performance measures, and (c) improving record-keeping.	Implemented.
2001 Single Audit Rec. No. 86	Ensure that providers are surveyed timely and efficiently by (a) adding a cycle to the survey scheduling and tracking database, (b) requiring surveyors to document reasons for assigning survey cycles, (c) performing regular reviews of assigned cycles for appropriateness, and (d) resurveying new HCBS providers after the providers admit clients.	Implemented.
2001 Single Audit Rec. No. 87	Ensure that adequate documentation is maintained when changes are made to providers' deficiency lists.	Implemented.
2001 Single Audit Rec. No. 88	Work with the federal Health Care Financing Administration to clarify whether scope and severity coding is appropriate for home health deficiencies.	Implemented.
2000 Single Audit Rec. No. 63	Increase focus on quality of care and deficiency citing through training, supervision, and teambuilding.	Implemented.
2000 Single Audit Rec. No. 64	Improve its oversight of employee conflicts of interest by requiring staff to complete and update their conflict-of-interest statements.	Implemented.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

**Department of Public Safety**

**Division of Criminal Justice**

2000 Single Audit Rec. No. 27	Develop procedures for tracking time worked so that salary charges to federal programs are adequately supported, and prorate exception time among federal programs in the same proportion as regular salaries.	Implemented.
2000 Single Audit Rec. No. 28	Develop a schedule so that audits of community corrections vendors are completed at least every three years.	Implemented.
2000 Single Audit Rec. No. 65	Ensure compliance with the Cash Management Improvement Act by making draws in accordance with the Agreement and including indirect costs proportionately in each drawdown.	No longer applicable.

**Department of Revenue**

2001 Single Audit Rec. No. 32	Ensure that only eligible individuals claim and receive TABOR credits by (a) identifying and billing individuals that were ineligible, (b) ensuring that taxpayers are eligible for the credits taken, and (c) processing only complete returns, or evaluating methods of ensuring that accurate credits are claimed should the taxpayer fail to submit the required schedules.	Not implemented. See current year Recommendation No. 18.
2001 Single Audit Rec. No. 33	Resolve outstanding check issues to ensure that taxpayers receive their personal property tax refunds in a timely manner.	Partially implemented. See current year Recommendation No. 21.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 34

Enhance personal property tax refund procedures by (a) ensuring all the information furnished by the counties will be entered correctly and encouraging counties to file the report electronically and (b) providing additional training and assistance to counties.

Implemented.

2000 Single Audit  
Rec. No. 32

The Department of Revenue's Tax Conferee Section should improve its tabulation process for recording revenue, payables, and receivables in the State's accounting system by requiring that schedules prepared for determining receivable and payable tax accruals be reviewed by a supervisor.

Implemented.

2000 Single Audit  
Rec. No. 33

Improve its existing wage withholding accrual methodology so that it is consistently accruing taxes through June 30.

Deferred. There is no current year impact. We will continue our follow-up in Fiscal Year 2003.

**Department of State**

1999 Single Audit  
Rec. No. 21

Strengthen the controls over financial transactions by performing and documenting timely reconciliations for property and equipment.

Implemented.

**Office of the State Treasurer**

2001 Single Audit  
Rec. No. 35

Ensure that all custodial funds receive the proper amount of interest due by (a) identifying the custodial funds that should receive interest, (b) determining how much interest should have been paid to custodial funds for the past three fiscal years, and (c) determining the TABOR effect.

Implemented.

**Report and  
Rec. No.**

**Recommendation**

**Disposition**

2001 Single Audit  
Rec. No. 89

Comply with CMIA regulations by maintaining proper documentation to support the State's direct cost claim.

Implemented.

**Department of Transportation**

2001 Single Audit  
Rec. No. 36

Create a standard template to complete reconciliations of the Note proceeds bank accounts, and assign and train one individual to perform the reconciliations.

Implemented.

2001 Single Audit  
Rec. No. 37

Should (a) ensure that leases are properly classified as operating or capital, (b) evaluate the completeness and accuracy of the operating lease summary, and (c) review the operating lease summary for accuracy at year-end.

Partially implemented. A checklist has been established and an informal employee inquiry is taking place to determine if any leases need to be reclassified. The Department will continue evaluating leases as they are renewed. We will continue our follow-up in Fiscal Year 2003.

2001 Single Audit  
Rec. No. 90

Require field engineers to provide written communication of the number of interviews performed, as well as anticipated future interviews.

Partially implemented. A method to build the required interviews into the renewal process is being implemented. The Department anticipates that this should be fully integrated in 2003. We will continue our follow-up in Fiscal Year 2003.

2001 Single Audit  
Rec. No. 91

Monitor and review entries to the pay system and payments made to contractors.

Implemented.



**Report and  
Rec. No.**

**Recommendation**

**Disposition**

1999 Single Audit  
Rec. No. 22

Transfer custody of the credit card reconciliation program to the Information Technology Division and maintain it in accordance with the Department's procedures.

Partially implemented. Programming efforts for this activity are in process. These efforts have been segregated into phases. Phase 1 is complete. Phase II is scheduled for completion by June 30, 2003. We will continue our follow-up in Fiscal Year 2003.



**STATE OF COLORADO**

JOANNE HILL, CPA  
State Auditor

**OFFICE OF THE STATE AUDITOR**  
(303) 869-2800  
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Legislative Services Building  
200 East 14th Avenue  
Denver, Colorado 80203-2211

November 26, 2002

**Independent Auditor's Report**

Members of the Legislative Audit Committee:

We have audited the accompanying Schedule of Expenditures of Federal Awards of the State of Colorado (the Schedule) for the fiscal year ended June 30, 2002. This Schedule is the responsibility of the State's management. Our responsibility is to express an opinion on this Schedule based on our audit.

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

In our opinion, the Schedule of Expenditures of Federal Awards referred to above presents fairly, in all material respects, the expenditures of federal awards of the State of Colorado, as described above, for the fiscal year ended June 30, 2002, in conformity with accounting principles generally accepted in the United States of America.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY MAJOR SUBDIVISION OF FEDERAL AGENCY SOURCE TYPE (DIRECT OR PASS-THROUGH) ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY) PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
A-UNCLUSTERED PROGRAMS *****					
OFFICE OF NATIONAL DRUG CONTROL POLICY					
OFFICE OF NATIONAL DRUG CONTROL POLICY					
DIRECT FROM:					
OFFICE OF NATIONAL DRUG CONTROL POLICY HIDTA Grants		RAA	07.UNKNOWN	443.061	16.896
SUBTOTAL DIRECT FROM:				443.061	16.896
SUBTOTAL OFFICE OF NATIONAL DRUG CONTROL POLICY				443.061	16.896
SUBTOTAL OFFICE OF NATIONAL DRUG CONTROL POLICY				443.061	16.896
-----					
PEACE CORP					
PEACE CORPS					
DIRECT FROM:					
PEACE CORPS RESEARCH AND INSTRUCTION		GFB	08.186993080	(770)	0
SUBTOTAL DIRECT FROM:				(770)	0
SUBTOTAL PEACE CORPS				(770)	0
SUBTOTAL PEACE CORP				(770)	0
-----					
DEPARTMENT OF AGRICULTURE					
AGRICULTURAL MARKETING SERVICE, DEPARTMENT OF AGRICULTURE					
DIRECT FROM:					
AGRICULTURAL MARKETING SERVICE, DEPARTMENT OF AGRICULTURE					
Federal-State Marketing Improvement Program		BAA	10.156	3.959	1,510.000
Federal-State Marketing Improvement Program		BAA	10.156 / 10.008564-0474ca	2.407	0
Federal-State Marketing Improvement Program		BAA	10.156 / 10.028564-0474CA	4.083	0
Federal-State Marketing Improvement Program		BAA	10.156 / 10.12-25-g-0302	0	30,001
Federal-State Marketing Improvement Program		BAA	10.156 / 10.MY10100-93001	10.173	0
Inspection Grading and Standardization		BAA	10.162 / 10.12-25-A-3270	3.406	0
Market Protection and Promotion		BAA	10.163	199,085	0
Market Protection and Promotion		BAA	10.163 / 10.12-25-A-3482	57,262	0
Market Protection and Promotion		BAA	10.163 / 10.12-25-A-3968	69,872	0
Market Protection and Promotion		BAA	10.163 / 10.12-25-A-4042	141,626	0
Market Protection and Promotion		BAA	10.163 / 10.12-25-A-4059	65,319	0
SUBTOTAL DIRECT FROM:				557.192	1,540.001
SUBTOTAL AGRICULTURAL MARKETING SERVICE, DEPARTMENT OF AGRICULTURE				557.192	1,540.001

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
AGRICULTURAL RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE									
DIRECT FROM:									
AGRICULTURAL RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE									
Agricultural Research: Basic and Applied Research						GFE	10.001	(23,153)	0
UNDERGRADUATE RESEARCH MENTORING PROGRAM						GGB	10.59-5409-1-343	11,561	0
								-----	-----
SUBTOTAL DIRECT FROM:								(11,592)	0
								-----	-----
SUBTOTAL AGRICULTURAL RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE								(11,592)	0
ANIMAL AND PLANT HEALTH INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE									
DIRECT FROM:									
ANIMAL AND PLANT HEALTH INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE									
Plant and Animal Disease, Pest Control, and Animal Care						GGB	10.025	20,851	0
Plant and Animal Disease, Pest Control, and Animal Care						BAA	10.025 / 10.02-8564-0524-CA	550	0
Plant and Animal Disease, Pest Control, and Animal Care						BAA	10.025 / 10.43-6395-2-1379	45,804	0
Wildlife Services						BAA	10.028 / 10.3410-34-U	263,350	0
								-----	-----
SUBTOTAL DIRECT FROM:								330,555	0
								-----	-----
SUBTOTAL ANIMAL AND PLANT HEALTH INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE								330,555	0
COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE, DEPARTMENT OF AGRICULTURE									
DIRECT FROM:									
COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE, DEPARTMENT OF AGRICULTURE									
Grants for Agricultural Research, Special Research Grants						GGB	10.200	61,114	0
Grants for Agricultural Research: Competitive Research Grants						GGB	10.206	431	0
Higher Education Challenge Grants						GGB	10.217	35,985	7,498
Hispanic Serving Institutions Education Grants (B) -						GJM	10.223	26,379	0
Cooperative Extension Service						GGB	10.500	3,887,327	0
								-----	-----
SUBTOTAL DIRECT FROM:								4,011,236	7,498
PASS-THROUGH PROGRAMS FROM:									
Auburn University									
Grants for Agricultural Research, Special Research Grants						GGB	10.200 / 10.ACES/ASATP-YD-13	23,952	0
New Mexico State University									
Grants for Agricultural Research, Special Research Grants						GGB	10.200 / 10.NMSU B-8 (1998)	2,655	0
UNIVERSITY OF NEBRASKA AT LINCOLN									
Cooperative Extension Service						GFD	10.500 / 10.6334405004	8,995	0
								-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								35,602	0
								-----	-----
SUBTOTAL COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE, DEPARTMENT OF AGRICULTURE								4,046,838	7,498
DEPARTMENT OF AGRICULTURE									
DIRECT FROM:									
DEPARTMENT OF AGRICULTURE									
SPANISH VERSION OF LAND EVALUATION & SIT						GGB	10.69-8805-1-07	5,000	0
Department of Agriculture						GHC	10. USDA 01-CS-11020000-084	9,677	0
								-----	-----
SUBTOTAL DIRECT FROM:								14,677	0
								-----	-----
SUBTOTAL DEPARTMENT OF AGRICULTURE								14,677	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE						
DIRECT FROM:						
FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE						
Food Distribution	*	IHA	10.550		604.054	0
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)		FAA	10.557		1,853.770	54,664.178
State Administrative Expenses for Child Nutrition		DAA	10.560		571.687	0
State Administrative Expenses for Child Nutrition		IHA	10.560		168.789	0
Commodity Supplemental Food Program (CSFP)	*	IHA	10.565		5,232.467	1,005.388
Emergency Food Assistance Program (Administrative Costs)	*	IHA	10.568		4,426.199	366.550
SUBTOTAL DIRECT FROM:					12,856.966	56,036.116
SUBTOTAL FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE					12,856.966	56,036.116
FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE						
DIRECT FROM:						
FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE						
Nutrition Services Incentive	*	IHA	10.570		29.364	1,320.234
SUBTOTAL DIRECT FROM:					29.364	1,320.234
SUBTOTAL FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE					29.364	1,320.234
FOOD SAFETY AND INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE						
DIRECT FROM:						
FOOD SAFETY AND INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE						
Cooperative Epidemiology Ptnr Project		FAA	10.43-3A94-0-8023		29	0
Meat, Poultry, and Egg Products Inspection		BAA	10.477 / 10.12-37-A-466		14,443	0
SUBTOTAL DIRECT FROM:					14,472	0
SUBTOTAL FOOD SAFETY AND INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE					14,472	0
FOREIGN AGRICULTURAL SERVICE, DEPARTMENT OF AGRICULTURE						
DIRECT FROM:						
FOREIGN AGRICULTURAL SERVICE, DEPARTMENT OF AGRICULTURE						
International Training: Foreign Participant		GGB	10.962		75.896	0
SUBTOTAL DIRECT FROM:					75.896	0
SUBTOTAL FOREIGN AGRICULTURAL SERVICE, DEPARTMENT OF AGRICULTURE					75.896	0
FOREST SERVICE, DEPARTMENT OF AGRICULTURE						
DIRECT FROM:						
FOREST SERVICE, DEPARTMENT OF AGRICULTURE						
Forest Fire Archaeology		GGH	10.00-CS-11021300-071		26.336	0
Costshare Agreement		GHE	10.01-CS-11020000-085		3,534	0
San Juan Skyway C.I.P.		GGH	10.01-CS-11021300-020		25,291	0
Forest Service, Department of Agriculture		PIA	10.1102-0798035		1,609	0
Forest Service Cost Share Mine Closures		PKA	10.1102001299045		28,500	0
Forest Service Cost Share Mine Closures		PKA	10.110201299045		22,257	0
Forest Service, Department of Agriculture		PIA	10.11020798035A		136	0
Forest Service, Department of Agriculture		PIA	10.11020798035B		18,690	0
Forest Service, Department of Agriculture		PIA	10.11020798035C		41,805	0
Forest Service, Department of Agriculture		PIA	10.11020798035D		22	0
Forest Service Cost Share Mine Closures	*	PKA	10.11020900030		3,100	0
Forest Service Cost Share Mine Closures	*	PKA	10.11021299045T		3,500	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
Multi-site Bat Inventory		PBA	10.4382BH10048	10,772	0
Forestry Research		GGB	10.652	20,964	0
Forestry Research		PBA	10.652	11,353	0
Cooperative Forestry Assistance		GGB	10.664	6,670,872	0
Cooperative Forestry Assistance		PKA	10.664 / 10.CCS040097092	2,181	0
National Forest: Dependent Rural Communities		EFA	10.670 / 10.11020000-051	23,917	0
USDA-SJNF-4-Corners Region Tourism		GGH	10.CCS-09-00-98-080	5,322	8,912
USDA-FS-SJNF		GGH	10.CCS-13-00-99-113	56,350	0
USDA-SJFS-Comm Fire Pln		GGH	10.CCS-13-00-99-113	27,549	0
National Forest		WBA	10.UNKNOWN	0	5,594,780
SUBTOTAL DIRECT FROM:				7,004,060	5,603,692
PASS-THROUGH PROGRAMS FROM:					
Montezuma Co.					
Montezuma Co FCSFP Trans Plan		GGH	10.02-521-04-240 (NM)	2,372	0
N Mex/EMNRD					
4-Corners Forest Prtn		GGH	10.00-521.04-189	6,313	0
USDA-FS-FCSFPP-Eval & Assess		GGH	10.02-521-04-006	37,207	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				45,892	0
SUBTOTAL FOREST SERVICE, DEPARTMENT OF AGRICULTURE				7,049,952	5,603,692
NATURAL RESOURCES CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE					
DIRECT FROM:					
NATURAL RESOURCES CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE					
Soil and Water Conservation		GGB	10.902	617,477	0
SUBTOTAL DIRECT FROM:				617,477	0
SUBTOTAL NATURAL RESOURCES CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE				617,477	0
RURAL BUSINESS-COOPERATIVE SERVICE, DEPARTMENT OF AGRICULTURE					
DIRECT FROM:					
RURAL BUSINESS-COOPERATIVE SERVICE, DEPARTMENT OF AGRICULTURE					
Rural Business Enterprise Grants		GJA	10.769	54,363	0
SUBTOTAL DIRECT FROM:				54,363	0
SUBTOTAL RURAL BUSINESS-COOPERATIVE SERVICE, DEPARTMENT OF AGRICULTURE				54,363	0
SUBTOTAL DEPARTMENT OF AGRICULTURE				25,636,160	64,507,541
-----					
DEPARTMENT OF COMMERCE					
ECONOMIC DEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE					
DIRECT FROM:					
ECONOMIC DEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE					
Economic Development: Technical Assistance		GFB	11.303	83,453	0
Economic Adjustment Assistance		GFB	11.307	(1)	0
SUBTOTAL DIRECT FROM:				83,452	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

PASS-THROUGH PROGRAMS FROM: PHOENIX REVITALIZATION CORPORATION Economic Development: Support for Planning Organizations		GFD	11.302 / 11.FEASIBILITY STUDY	15,754	9,313
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				15,754	9,313
SUBTOTAL ECONOMIC DEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE				99,206	9,313
NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY, DEPARTMENT OF COMMERCE					
DIRECT FROM: NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY, DEPARTMENT OF COMMERCE Measurement and Engineering Research and Standards Advanced Technology Program		GFB GFB	11.609 11.612	1,515,223 (1,473)	0 0
SUBTOTAL DIRECT FROM:				1,513,750	0
SUBTOTAL NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY, DEPARTMENT OF COMMERCE				1,513,750	0
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, DEPARTMENT OF COMMERCE					
DIRECT FROM: NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, DEPARTMENT OF COMMERCE Independent Education and Science Projects and Programs RESEARCH AND INSTRUCTION		GFB GFB	11.449 11.NOAA L/C	136,323 12	0 0
SUBTOTAL DIRECT FROM:				136,335	0
SUBTOTAL NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, DEPARTMENT OF COMMERCE				136,335	0
NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION, DEPARTMENT OF COMMERCE					
DIRECT FROM: NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION, DEPARTMENT OF COMMERCE Public Telecommunications Facilities: Planning and Construction		GGH	11.550 / 11.08-01-N00169	455	0
SUBTOTAL DIRECT FROM:				455	0
SUBTOTAL NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION, DEPARTMENT OF COMMERCE				455	0
SUBTOTAL DEPARTMENT OF COMMERCE				1,749,746	9,313
-----					
DEPARTMENT OF DEFENSE					
DEFENSE ADVANCED RESEARCH PROJECTS AGENCY, DEPARTMENT OF DEFENSE					
DIRECT FROM: DEFENSE ADVANCED RESEARCH PROJECTS AGENCY, DEPARTMENT OF DEFENSE Research & Technology Development		GFB	12.910	17,748	0
SUBTOTAL DIRECT FROM:				17,748	0
PASS-THROUGH PROGRAMS FROM: ACADEMY OF APPLIED SCIENCES Research & Technology Development Research & Technology Development		GFB GFB	12.910 / 12.1127 12.910 / 12.1128	2,500 2,500	0 0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				5,000	0
SUBTOTAL DEFENSE ADVANCED RESEARCH PROJECTS AGENCY, DEPARTMENT OF DEFENSE				22,748	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
DEPARTMENT OF ARMY U.S. ARMY RESEARCH AND MATERIAL COMMAND, DEPARTMENT OF DEFENSE					
DIRECT FROM:					
DEPARTMENT OF ARMY U.S. ARMY RESEARCH AND MATERIAL COMMAND, DEPARTMENT OF DEFENSE					
Military Medical Research & Development		GFB	12.420	22,455	0
Military Medical Research & Development		GFE	12.420	58,163	0
Military Medical Research & Development		GGB	12.420	2,920	0
Pueblo Chemical Demilitarization		FAA	12.Cooperative Agreement	217,849	15,903
Medical Monitoring Advisory Group		FAA	12.MOU 3/14/97	289,848	14,512
SUBTOTAL DIRECT FROM:				591,235	30,415
SUBTOTAL DEPARTMENT OF ARMY U.S. ARMY RESEARCH AND MATERIAL COMMAND, DEPARTMENT OF DEFENSE				591,235	30,415
DEPARTMENT OF DEFENSE					
DIRECT FROM:					
DEPARTMENT OF DEFENSE					
Unclassified Grants and Contracts		DAA	12.000	0	88,557
HYDROLOGIST SUPPORT FOR YAKIMA TRAINING		GGB	12.2339501	448	0
HYDROLOGIST SUPPORT FOR YAKIMA TRAINING		GGB	12.2339601	51,841	0
GPS DATA COLLECTION FOR YAKIMA TRAINING		GGB	12.2339702	257	0
GPS DATA COLLECTION FOR YAKIMA TRAINING		GGB	12.2339802	2,234	0
TRACKED VEHICLE PROJECT SUPPORT FOR FORT		GGB	12.2345202	2,207	0
LIGHT ARMORED VEHICLE IMPACT STUDY FOR F		GGB	12.2434602	15	0
LAND CONDITION TREND ANALYSIS SUPPORT FO		GGB	12.2438602	20,913	0
LAND CONDITION TREND ANALYSIS SUPPORT FO		GGB	12.2438702	17,938	0
LAND CONDITION TREND ANALYSIS WORK FOR A		GGB	12.DAHC76-97-D-0014 #0025 M	3,029	0
ENVIRONMENTAL COMPLIANCE SUPPORT FOR US		GGB	12.DAHC76-97-D-0014 DO# 002	22	0
ENVIRONMENTAL COMPLIANCE SUPPORT FOR USA		GGB	12.DAHC76-97-D-0014 DO# 002	3,595	0
MISSION TRANSFORMATION ENVIRONMENTAL IMP		GGB	12.DAHC76-97-D-0014 DO# 002	172,020	0
ENVIRONMENTAL RESTORATION SUPPORT FOR IN		GGB	12.DAHC76-97-D-0014 TO #27	25,724	0
ENVIRONMENTAL RESTORATION SUPPORT FOR IN		GGB	12.DAHC76-97-D-0014 TO #28	73	0
INTEGRATED TRAINING AREA MANAGEMENT FOR		GGB	12.DAPC49-02-D-0002 DO 0002	4,824	0
INTEGRATED TRAINING AREA MANAGEMENT SUPP		GGB	12.DAPC49-02-D-0002 DO 0002	131	0
MISSION/TRANSFORMATION EIS SUPPORT, PHAS		GGB	12.DAPC49-02-D-0002 DO 0004	26	0
IPA FOR LARRY MOSS -DOD - US DEPARTMENT		GGB	12. IPA - LARRY MOSS	6,501	0
INTERGOVERNMENTAL PERSONNEL ACT (IPA) FO		GGB	12. IPA FOR BRIAN HELMLINGER	83,519	0
TECHNICAL FIELD SUPPORT FOR FOREST MANAG		GGB	12.MIPRILCSU50106 MOD 2	7,636	0
SUBTOTAL DIRECT FROM:				402,953	88,557
SUBTOTAL DEPARTMENT OF DEFENSE				402,953	88,557
DEPARTMENT OF THE ARMY, NATIONAL GUARD BUREAU, DEPARTMENT OF DEFENSE					
DIRECT FROM:					
DEPARTMENT OF THE ARMY, NATIONAL GUARD BUREAU, DEPARTMENT OF DEFENSE					
Military Construction, National Guard		OAA	12.400	3,207,848	0
SUBTOTAL DIRECT FROM:				3,207,848	0
SUBTOTAL DEPARTMENT OF THE ARMY, NATIONAL GUARD BUREAU, DEPARTMENT OF DEFENSE				3,207,848	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
NATIONAL GUARD BUREAU, DEPARTMENT OF DEFENSE									
DIRECT FROM:									
NATIONAL GUARD BUREAU, DEPARTMENT OF DEFENSE									
National Guard Military Operations & Maintenance (O&M) Projects						OAA	12.401	5,639,438	0
SUBTOTAL DIRECT FROM:								5,639,438	0
SUBTOTAL NATIONAL GUARD BUREAU, DEPARTMENT OF DEFENSE								5,639,438	0
OFFICE OF NAVAL RESEARCH, DEPARTMENT OF THE NAVY									
DIRECT FROM:									
OFFICE OF NAVAL RESEARCH, DEPARTMENT OF THE NAVY									
Basic & Applied Scientific Research						GFB	12.300	10,000	0
SUBTOTAL DIRECT FROM:								10,000	0
SUBTOTAL OFFICE OF NAVAL RESEARCH, DEPARTMENT OF THE NAVY								10,000	0
OFFICE OF THE CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE									
DIRECT FROM:									
OFFICE OF THE CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE									
Flood Control Projects						WBA	12.106	0	116
Planning Assistance to States						FAA	12.110	2,440	0
State Memorandum of Agreement Program for the Reimbursement of Technical Services						FAA	12.113	1,367,573	81,174
Collaborative Research & Development						GFB	12.114	23,068	0
JOHN MARTIN WTR DISTRIB SYSTEM						PJA	12.G6920363735	39,363	0
SUBTOTAL DIRECT FROM:								1,432,444	81,290
SUBTOTAL OFFICE OF THE CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE								1,432,444	81,290
OFFICE OF THE SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE									
DIRECT FROM:									
OFFICE OF THE SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE									
Basic, Applied, & Advanced Research in Science and Engineering						GGJ	12.630 / 12.10 USC 2358	200,000	0
SUBTOTAL DIRECT FROM:								200,000	0
SUBTOTAL OFFICE OF THE SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE								200,000	0
U.S. ARMY RESEARCH OFFICE, U.S. ARMY MATERIAL COMMAND									
DIRECT FROM:									
U.S. ARMY RESEARCH OFFICE, U.S. ARMY MATERIAL COMMAND									
Basic Scientific Research						GGB	12.431	1,040,639	0
Basic Scientific Research						GHB	12.431	132,264	0
SUBTOTAL DIRECT FROM:								1,172,903	0
SUBTOTAL U.S. ARMY RESEARCH OFFICE, U.S. ARMY MATERIAL COMMAND								1,172,903	0
SUBTOTAL DEPARTMENT OF DEFENSE								12,679,569	200,262

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

DIRECT FROM:

COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Community Development Block Grants/State's Program	NAA	14.228		411,528	11,291,804
Emergency Shelter Grants Program	NAA	14.231		34,861	903,850
Supportive Housing Program	IHH	14.235		124,883	0
Supportive Housing Program	NAA	14.235		1,279	15,404
Shelter Plus Care	IHH	14.238		1,373,372	0
HOME Investment Partnerships Program	NAA	14.239		425,283	7,497,856
Housing Opportunities for Persons with AIDS	NAA	14.241		0	376,846

SUBTOTAL DIRECT FROM:

-----  
2,371,206

-----  
20,085,760

SUBTOTAL COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

-----  
2,371,206

-----  
20,085,760

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

DIRECT FROM:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

College Housing Debt Service	GMA	14.100		168,440	0
College Housing Program	GGH	14.CH.COLO.860		16,964	0
Manufactured Housing Construction	NAA	14.DU100K900016684		58,266	0
Bessemer	GGJ	14.HSIAC-00-CO-13		400,000	0

SUBTOTAL DIRECT FROM:

-----  
643,670

-----  
0

SUBTOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

-----  
643,670

-----  
0

HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

DIRECT FROM:

HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Interest Reduction Payments: Rental and Cooperative Housing for Lower Income Families	GJB	14.103		17,745	0
Mortgage Insurance: Homes in Outlying Areas	GFD	14.121		(19,679)	7,971

SUBTOTAL DIRECT FROM:

-----  
(1,934)

-----  
7,971

SUBTOTAL HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

-----  
(1,934)

-----  
7,971

OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

DIRECT FROM:

OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Fair Housing Assistance Program: State and Local	SDA	14.401		231,056	0
--	-----	--------	--	---------	---

SUBTOTAL DIRECT FROM:

-----  
231,056

-----  
0

SUBTOTAL OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

-----  
231,056

-----  
0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
OFFICE OF POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
DIRECT FROM:					
OFFICE OF POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Community Outreach Partnership Center Program		GFD	14.511	55,794	0
Community Development Work-Study Program		GFD	14.512	(2,132)	0
Hispanic-Serving Institutions Assisting Communities		GHB	14.514	34,654	0
SUBTOTAL DIRECT FROM:				88,316	0
SUBTOTAL OFFICE OF POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				88,316	0
PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
DIRECT FROM:					
PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Section 8 Housing Choice Vouchers		IHH	14.871	13,242,353	0
Section 8 Housing Choice Vouchers		NAA	14.871	12,140,070	857,827
SUBTOTAL DIRECT FROM:				25,382,423	857,827
SUBTOTAL PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				25,382,423	857,827
PUBLIC AND INDIAN HOUSING, OFFICE OF NATIVE AMERICAN PROGRAMS, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
PASS-THROUGH PROGRAMS FROM:					
City & County Denver					
Demolition and Revitalization of Severely Distressed Public Housing		GHD	14.866	4,303	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				4,303	0
SUBTOTAL PUBLIC AND INDIAN HOUSING, OFFICE OF NATIVE AMERICAN PROGRAMS, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				4,303	0
SUBTOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				28,719,040	20,951,558
-----					
DEPARTMENT OF THE INTERIOR					
BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR					
Training of Students in Cartographic Skills		GHC	15.1422 C950A40014	15,449	0
Vegetation Cov. Project		GGJ	15.1422 C950A70014	20,846	0
DATA DEVELOPMENT & DELIVERY -DOI-BLM-BUR		GGB	15.1422 C950A80010	432	0
ROAN PLATEAU DATA PROCESSING -DOI-BLM-BU		GGB	15.1422 C950A80010 T023	1,610	0
SAGEBRUSH MAPPING PROJECT -DOI-BLM-BUREA		GGB	15.1422 C950A80010 T019	25,000	0
LYNX HABITAT MAPPING PROJECT UPDATE FY 2		GGB	15.1422 C950A80010 T020	11,514	0
KEEPING THE COLORADO RARE PLANT FIELD -D		GGB	15.1422 C950A80010 T06	7,867	0
Assistance Agreement		GHE	15.1422 CAA00009	8,527	0
USDI-BLM-Dev Fire Mgmt		GGH	15.1422 CAA010019T01	7,604	0
USDI-BLM-Soc A & Fire Issues		GGH	15.1422 CAA010019T02	39,334	0
BLM COST SHARE		PJA	15.1422CAA0010	25,412	0
USDI-BLM-4-Corners Region Tourism		GGH	15.1422P850-A8-0025	5,322	7,969
STUDENT TRAINING		GHB	15.15.DDG	9,818	0
Cooperative Inspection Agreements with States & Tribes		PBA	15.222	203,085	0
Cooperative Inspection Agreements with States & Tribes		PJA	15.222	1,703	0
Cooperative Inspection Agreements with States & Tribes		PKA	15.222	164,202	0
Cultural Resource Management		GCA	15.224	49,354	0
Recreation Resource Management		BAA	15.225 / 15.1422-cao000013	12,497	0
Bureau of Land Management		PAA	15.C950A80014	22,073	7,723

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY		NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY		INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME						
	Master Cooperative Agreement		PBA	15.CAA010003	12,766	0
	BLM Department of Interior		PIA	15.CAA020003	4,880	0
	3M Proposal		PHA	15.CAA990006	83,257	0
	Sale of Public Land		WBA	15.UNKNOWN	0	41,231
	Taylor Grazing		WBA	15.UNKNOWN	0	108,877
SUBTOTAL DIRECT FROM:					732,552	165,800
PASS-THROUGH PROGRAMS FROM:						
	Nat Fish & Wildlife Foundation					
	Bat Evaluation in Abandoned Mines II		PBA	15.00-375	13,271	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					13,271	0
SUBTOTAL BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR					745,823	165,800
BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR						
DIRECT FROM:						
BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR						
	PAONIA ACCESSIBLE CAMPSITES		PJA	15.00FC404410	55,107	0
	PUEBLO RESERVOIR SECURITY		PJA	15.01FC405430	32,000	0
	PUEBLO RESERVOIR SECURITY		PJA	15.02FC601602	45,000	0
	PUEBLO RES LAW ENFORCEMENT		PJA	15.02FC601664	70,092	0
	Escañante St. Wildlife Recreation Area		PBA	15.0FCUC00010	42,642	0
	RECREATION MANAGEMENT OF WESTERN WATER -		GGB	15.1425-97-FG-81-35017	2,444	0
	Arkansas River Research Study		PBA	15.3FC6003400	103,058	0
	WESTERN SLOPE REHABILITATION		PJA	15.4-FC-40-16180	696,553	0
	Water Desalination Research and Development Program		BAA	15.506 / 15.1425-97-fc-40-22430	0	335,946
	Russel Lakes O&M		PBA	15.6FC4019280	106,699	0
	BONNY RESERVOIR DESIGN & DEVELOP		PJA	15.6FC6008120	28,089	0
	MOA WESTERN COLO RESERVOIRS		PJA	15.7FC4019610	414,033	0
	MANCOS PROJECT		PJA	15.8-FC-40-05990	7,739	0
	CANAL SEEPAGE REDUCTION DEMONSTRATION -D		GGB	15.97-FC-60-09880	89	0
	CO RIVER BASIN SALINITY		PJA	15.97FC4021050	9,903	0
	Take Pride in Am		GCA	15.98FG810024	0	2,000
	Lone Dome Wetlands		PBA	15.99-FC-40-11110	20,767	0
	Close Basin Project		PEA	15.99FC401630	18,790	0
	NAVAJO WATER SYSTEM COOP AGREEMENT		PJA	15.99FC402840	173,135	0
	Colorado Endangered Fish		PBA	15.0FC4009000	97,902	74,900
SUBTOTAL DIRECT FROM:					1,924,042	412,846
SUBTOTAL BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR					1,924,042	412,846
DEPARTMENT OF THE INTERIOR						
DIRECT FROM:						
DEPARTMENT OF THE INTERIOR						
	Unclassified Grants and Contracts		TAA	15.000	861,528	0
SUBTOTAL DIRECT FROM:					861,528	0
SUBTOTAL DEPARTMENT OF THE INTERIOR					861,528	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
GEOLOGICAL SURVEY, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
GEOLOGICAL SURVEY, DEPARTMENT OF THE INTERIOR					
U.S. Geological Survey: Research & Data Acquisition		PBA	15.808	41,611	0
U.S. Geological Survey: Research & Data Acquisition		PIA	15.808	343,068	0
SUBTOTAL DIRECT FROM:				384,679	0
PASS-THROUGH PROGRAMS FROM:					
American St Geologist					
US Geological Survey		PIA	15.AASG0X	3,300	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				3,300	0
SUBTOTAL GEOLOGICAL SURVEY, DEPARTMENT OF THE INTERIOR				387,979	0
MINERALS MANAGEMENT, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
MINERALS MANAGEMENT, DEPARTMENT OF THE INTERIOR					
Royalties Mgmt		WBA	15.UNKNOWN	38,039,806	6,745,170
SUBTOTAL DIRECT FROM:				38,039,806	6,745,170
SUBTOTAL MINERALS MANAGEMENT, DEPARTMENT OF THE INTERIOR				38,039,806	6,745,170
NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR					
Coop Agreement		GCA	15.1443-CA-1200-98-005	20,297	0
Historic Preservation Fund Grants-In-Aid		GCA	15.904	678,264	101,265
Historic Preservation Fund Grants-In-Aid		GFB	15.904	40,584	0
National Historic Landmark		GFD	15.912	6,613	0
Outdoor Recreation: Acquisition, Development and Planning		GGB	15.916	6,154	0
Outdoor Recreation: Acquisition, Development and Planning		PJA	15.916	12,640	0
Native American Graves Protection and Repatriation Act		GCA	15.922	60,919	0
Cooperative Agreement		GHE	15.CA.1341-7-9001 WSC5	4,805	0
Organic Aerosols Workshop		GGH	15.CA-1268-1-9016	26,758	0
USDI-NPS-Fort Carson Arch -1999		GGH	15.CA-6000A9003	2,184	0
Interagency Restoration of Rocky Mountain Bighorn Sheep		PBA	15.CA120090004	4,894	0
Implementing Cooperative Wildlife Mgmt Activities		PBA	15.CA152099002	12,883	0
Radionuclides:Copper Mtn		GGH	15.No number assigned	3,476	0
USDI-NPS-4-Corners Region Tourism		GGH	15.No number assigned	5,322	7,970
SUBTOTAL DIRECT FROM:				885,793	109,235
PASS-THROUGH PROGRAMS FROM:					
NATIONAL PARK FOUNDATION					
National Center for Preservation Technology and Training (B) -		GFB	15.923 / 15.WONDRAK - OCG4206B	24,786	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				24,786	0
SUBTOTAL NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR				910,579	109,235

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT, DEPARTMENT OF THE INTERIOR

DIRECT FROM:

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT, DEPARTMENT OF THE INTERIOR  
Regulation of Surface Coal Mining & Surface Effects of Underground Coal Mining  
Regulation of Surface Coal Mining & Surface Effects of Underground Coal Mining  
Abandoned Mine Land Reclamation (AMLR) Program  
Abandoned Mine Land Reclamation (AMLR) Program

PAA 15.250  
PKA 15.250  
PIA 15.252  
PKA 15.252

7,484  
1,756,648  
7,903  
2,116,544

0  
0  
0  
0

SUBTOTAL DIRECT FROM:

3,888,579

0

SUBTOTAL OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT, DEPARTMENT OF THE INTERIOR

3,888,579

0

U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

DIRECT FROM:

U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR  
Sport Fish Restoration  
Wildlife Restoration  
Cooperative Endangered Species Conservation Fund  
Cooperative Endangered Species Conservation Fund  
Clean Vessel Act  
Wildlife Conservation & Appreciation  
North American Wetlands Conservation Fund  
Wildlife Conservation and Restoration  
Grazing Regimes-Nesting Success-Bird

PBA 15.605  
PBA 15.611  
PBA 15.615  
PJA 15.615  
PJA 15.616  
GGB 15.617  
FAA 15.623  
PBA 15.625  
GGH 15.98-035

5,251,079  
4,170,033  
24,003  
2,900  
15,110  
10,349  
247  
156,458  
3,188

783,034  
74,812  
0  
0  
0  
0  
17,610  
43,299  
0

SUBTOTAL DIRECT FROM:

9,633,367

918,755

PASS-THROUGH PROGRAMS FROM:

Nat Fish & Wildlife Foundation  
Palisade Streamflow Gaging Station  
State of New Mexico  
NMDGF Biology Proj.

PBA 15.1448-695900C  
GGJ 15.97-516.75

5,100  
143

0  
0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

5,243

0

SUBTOTAL U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

9,638,610

918,755

U.S. GEOLOGICAL SURVEY, U.S. DEPARTMENT OF THE INTERIOR

DIRECT FROM:

U.S. GEOLOGICAL SURVEY, U.S. DEPARTMENT OF THE INTERIOR  
National Cooperative Geologic Mapping Program  
National Cooperative Geologic Mapping Program  
Southwest Regional Gap Analysis Proj

GGH 15.810 / 15.01HQAG0144  
GGH 15.810 / 15.02HQAG0070  
PBA 15.99HQAG0181

4,587  
5,376  
194,207

0  
0  
0

SUBTOTAL DIRECT FROM:

204,170

0

SUBTOTAL U.S. GEOLOGICAL SURVEY, U.S. DEPARTMENT OF THE INTERIOR

204,170

0

SUBTOTAL DEPARTMENT OF THE INTERIOR

56,601,116

8,351,806

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

DEPARTMENT OF JUSTICE

BUREAU OF JUSTICE ASSISTANCE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE

DIRECT FROM:

BUREAU OF JUSTICE ASSISTANCE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE

State Identification Systems Grant Program (A) -

State Criminal Alien Assistance Program

Bulletproof Vest Partnership Program

RAA 16.598

CAA 16.606

RAA 16.607

80.734

8,099,728

0

0

0

11,946

SUBTOTAL DIRECT FROM:

8,180,462

11,946

SUBTOTAL BUREAU OF JUSTICE ASSISTANCE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE

8,180,462

11,946

BUREAU OF JUSTICE STATISTICS, DEPARTMENT OF JUSTICE

DIRECT FROM:

BUREAU OF JUSTICE STATISTICS, DEPARTMENT OF JUSTICE

State Justice Statistics Program for Statistical Analysis Centers

National Criminal History Improvement Program (NCHIP)

RAA 16.550

RAA 16.554

28,744

106,117

0

780,836

SUBTOTAL DIRECT FROM:

134,861

780,836

SUBTOTAL BUREAU OF JUSTICE STATISTICS, DEPARTMENT OF JUSTICE

134,861

780,836

CORRECTIONS PROGRAM OFFICE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE

DIRECT FROM:

CORRECTIONS PROGRAM OFFICE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE

Residential Substance Abuse Treatment for State Prisoners

Residential Substance Abuse Treatment for State Prisoners

GFE 16.593

RAA 16.593

141,681

8,275

0

797,030

SUBTOTAL DIRECT FROM:

149,956

797,030

SUBTOTAL CORRECTIONS PROGRAM OFFICE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE

149,956

797,030

DEPARTMENT OF JUSTICE

DIRECT FROM:

DEPARTMENT OF JUSTICE

Unclassified Grants and Contracts

CAA 16.000

1,620

0

SUBTOTAL DIRECT FROM:

1,620

0

SUBTOTAL DEPARTMENT OF JUSTICE

1,620

0

DRUG ENFORCEMENT ADMINISTRATION, DEPARTMENT OF JUSTICE

DIRECT FROM:

DRUG ENFORCEMENT ADMINISTRATION, DEPARTMENT OF JUSTICE

Drug Enforcement Admin

RAA 16.UNKNOWN

16,730

0

SUBTOTAL DIRECT FROM:

16,730

0

SUBTOTAL DRUG ENFORCEMENT ADMINISTRATION, DEPARTMENT OF JUSTICE

16,730

0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
EXECUTIVE OFFICE FOR WEED AND SEED, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
EXECUTIVE OFFICE FOR WEED AND SEED, DEPARTMENT OF JUSTICE					
Executive Office for Weed & Seed		RAA	16.595	29,905	65,000
SUBTOTAL DIRECT FROM:				-----	-----
				29,905	65,000
SUBTOTAL EXECUTIVE OFFICE FOR WEED AND SEED, DEPARTMENT OF JUSTICE				-----	-----
				29,905	65,000
FEDERAL BUREAU OF INVESTIGATION, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
FEDERAL BUREAU OF INVESTIGATION, DEPARTMENT OF JUSTICE					
Federal Bureau of Investigation		RAA	16.UNKNOWN	9,970	0
SUBTOTAL DIRECT FROM:				-----	-----
				9,970	0
SUBTOTAL FEDERAL BUREAU OF INVESTIGATION, DEPARTMENT OF JUSTICE				-----	-----
				9,970	0
NATIONAL INSTITUTE OF JUSTICE, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
NATIONAL INSTITUTE OF JUSTICE, DEPARTMENT OF JUSTICE					
National Institute of Justice Research, Evaluation, and Development Projects Grants		RAA	16.560	85,853	0
SUBTOTAL DIRECT FROM:				-----	-----
				85,853	0
SUBTOTAL NATIONAL INSTITUTE OF JUSTICE, DEPARTMENT OF JUSTICE				-----	-----
				85,853	0
OFFICE OF COMMUNITY ORIENTED POLICING SERVICES, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
OFFICE OF COMMUNITY ORIENTED POLICING SERVICES, DEPARTMENT OF JUSTICE					
Public Safety Partnership & Community Policing Grants		CAA	16.710	31,292	0
Public Safety Partnership & Community Policing Grants		GFC	16.710	28,730	0
Public Safety Partnership & Community Policing Grants		GJJ	16.710	45,651	0
Public Safety Partnership & Community Policing Grants		RAA	16.710	1,102,272	252,505
SUBTOTAL DIRECT FROM:				-----	-----
				1,207,945	252,505
SUBTOTAL OFFICE OF COMMUNITY ORIENTED POLICING SERVICES, DEPARTMENT OF JUSTICE				-----	-----
				1,207,945	252,505
OFFICE OF JUSTICE PROGRAMS, BUREAU OF JUSTICE ASSISTANCE, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
OFFICE OF JUSTICE PROGRAMS, BUREAU OF JUSTICE ASSISTANCE, DEPARTMENT OF JUSTICE					
Byrne Formula Grant Program		RAA	16.579	1,088,189	6,987,498
Edward Byrne Memorial State & Local Law Enforcement Assistance Discretionary Grants Program		RAA	16.580	20,092	807,757
Local Law Enforcement Block Grants Program		RAA	16.592	81,215	338,249
Motor Vehicle Theft Protection Act Program (B) -		RAA	16.597	10,914	0
SUBTOTAL DIRECT FROM:				-----	-----
				1,200,410	8,133,504
SUBTOTAL OFFICE OF JUSTICE PROGRAMS, BUREAU OF JUSTICE ASSISTANCE, DEPARTMENT OF JUSTICE				-----	-----
				1,200,410	8,133,504

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE					
Drug Court		JAA	16.1999-DC-VX-0174	87,058	0
Drug Court		JAA	16.2000-DC-VX-0125	122,708	0
Drug Court		JAA	16.2001-DC-BX-0024	67,967	0
Crime Victim Compensation		RAA	16.576	161,233	2,888,607
Violent Offender Incarceration & Truth in Sentencing Incentive Grants		RAA	16.586	48,090	3,785,273
Violence Against Women Formula Grants		RAA	16.588	92,294	1,953,204
Grants to Encourage Arrest Policies and Enforcement of Protection Orders		RAA	16.590	2,989	196,764
Managing Released Sex Offenders		RAA	16.591	25,000	0
Community Assessment		JAA	16.97-MU-FX-0009	238,258	0
National Governors Assoc.		RAA	16.UNKNOWN	12,590	0
SUBTOTAL DIRECT FROM:				858,187	8,823,848
PASS-THROUGH PROGRAMS FROM:					
City/Cty Denver					
Local Law Enforcement		JAA	16.98-LB-VX-5225	28,051	0
Local Law Enforcement		JAA	16.n/a	120,071	0
La Plata County					
Encourage Arrest		JAA	16.97-WE-VX-0018	48,559	0
Pueblo County					
Encourage Arrest		JAA	16.97-WE-VX-0037	10,046	0
TESSA					
Domestic Violence		JAA	16.2001-WR-VX-K001	4,274	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				211,001	0
SUBTOTAL OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE				1,069,188	8,823,848
OFFICE OF JUSTICE PROGRAMS, OFFICE FOR STATE AND LOCAL DOMESTIC PREPAREDNESS SUPPORT, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
OFFICE OF JUSTICE PROGRAMS, OFFICE FOR STATE AND LOCAL DOMESTIC PREPAREDNESS SUPPORT, DEPARTMENT OF JUSTICE					
State Domestic Preparedness Equipment Support Program		NAA	16.007	50,301	248,957
SUBTOTAL DIRECT FROM:				50,301	248,957
SUBTOTAL OFFICE OF JUSTICE PROGRAMS, OFFICE FOR STATE AND LOCAL DOMESTIC PREPAREDNESS SUPPORT, DEPARTMENT OF JUSTICE				50,301	248,957
OFFICE OF JUSTICE PROGRAMS, OFFICE FOR VICTIMS OF CRIME, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
OFFICE OF JUSTICE PROGRAMS, OFFICE FOR VICTIMS OF CRIME, DEPARTMENT OF JUSTICE					
Crime Victim Assistance		RAA	16.575	275,631	4,578,198
SUBTOTAL DIRECT FROM:				275,631	4,578,198
SUBTOTAL OFFICE OF JUSTICE PROGRAMS, OFFICE FOR VICTIMS OF CRIME, DEPARTMENT OF JUSTICE				275,631	4,578,198

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION, DEPARTMENT OF JUSTICE

DIRECT FROM:

OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION, DEPARTMENT OF JUSTICE

Juvenile Accountability Incentive Block Grants

RAA 16.523

404,570

3,791,621

Juvenile Justice & Delinquency Prevention: Allocation to States

RAA 16.540

199,409

739,452

Juvenile Justice & Delinquency Prevention: Special Emphasis

GFB 16.541

25,926

0

National Institute for Juvenile Justice & Delinquency Prevention

RAA 16.542

20,000

0

Title V: Delinquency Prevention Program

RAA 16.548

29,257

605,130

Part E: State Challenge Activities

RAA 16.549

37,266

111,439

Enforcing Underage Drinking Laws Program

HAA 16.727

339,976

0

SUBTOTAL DIRECT FROM:

1,056,404

5,247,642

PASS-THROUGH PROGRAMS FROM:

Ctr for Nonprofit Dev

Juv Justice/Delinq Prevention

JAA 16.2000-JN-FX-K004

401

0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

401

0

SUBTOTAL OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION, DEPARTMENT OF JUSTICE

1,056,805

5,247,642

SUBTOTAL DEPARTMENT OF JUSTICE

13,469,637

28,939,466

DEPARTMENT OF LABOR

BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR

DIRECT FROM:

BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR

Labor Force Statistics

GJA 17.002

152,635

0

Labor Force Statistics

KAA 17.002

1,661,536

0

Compensation & Working Conditions

FAA 17.005

27,146

0

SUBTOTAL DIRECT FROM:

1,841,317

0

SUBTOTAL BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR

1,841,317

0

DEPARTMENT OF LABOR

DIRECT FROM:

DEPARTMENT OF LABOR

OCCUPATIONAL HEALTH & SAFETY -DOL-OSHA-O

GGB 17.E9F2-0980 AMD #2

623,935

0

OCCUPATIONAL HEALTH & SAFETY -DOL-OSHA-O

GGB 17.W9F1-0980

319,484

0

SUBTOTAL DIRECT FROM:

943,419

0

SUBTOTAL DEPARTMENT OF LABOR

943,419

0

EMPLOYMENT AND TRAINING ADMINISTRATION, DEPARTMENT OF LABOR

DIRECT FROM:

EMPLOYMENT AND TRAINING ADMINISTRATION, DEPARTMENT OF LABOR

Employment Service

KAA 17.207

2,499,173

7,419,973

Unemployment Insurance

KAA 17.225

542,344,438

65,764

Senior Community Service Employment Program

IHA 17.235

56,354

855,757

Trade Adjustment Assistance: Workers

KAA 17.245

1,855,000

0

Employment & Training Assistance: Dislocated Workers

GJA 17.246

49,169

0

Employment & Training Assistance: Dislocated Workers

KAA 17.246

1,226,015

0

Employment Services & Job Training Pilots: Demonstrations and Research

GFE 17.249

46,335

0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

Employment Services & Job Training Pilots: Demonstrations and Research		IHA	17.249		(12,545)	216,569
Welfare-to-Work Grants to States and Localities		KAA	17.253		1,404,079	3,430,700
One-Stop Career Center Initiative		NAA	17.257		413,793	78,061
WIA Adult Program		KAA	17.258		2,698,235	4,436,648
WIA Youth Activities		KAA	17.259		2,544,084	3,433,653
WIA Dislocated Workers		GJJ	17.260		15,000	0
WIA Dislocated Workers		KAA	17.260		3,143,050	5,115,687
WIA Dislocated Workers		NAA	17.260		1,662	0
Employment and Training Administration Pilots, Demonstrations, and Research Projects		IKA	17.261		276,423	0
Work Incentive Grant		NAA	17.266		3,681	0
School to Career		EAA	17.U-4421-4-00-88-60		1,000,497	0
Technical Assistance Training		NAA	17.UNKNOWN		10,696	0
SUBTOTAL DIRECT FROM:					559,575,139	25,052,812
PASS-THROUGH PROGRAMS FROM:						
MOWD						
Employment Services & Job Training Pilots: Demonstrations and Research		GJD	17.249 / 17.10149		214,622	0
Employment Services & Job Training Pilots: Demonstrations and Research		GJD	17.249 / 17.10150		44,805	0
Employment Services & Job Training Pilots: Demonstrations and Research		GJD	17.249 / 17.11106		39,273	0
Employment Services & Job Training Pilots: Demonstrations and Research		GJD	17.249 / 17.GE10165		2,373	0
Welfare-to-Work Grants to States and Localities		GJD	17.253 / 17.11440		206,776	0
Welfare-to-Work Grants to States and Localities		GJD	17.253 / 17.GE00554-01		7,920	0
Welfare-to-Work Grants to States and Localities		GJD	17.253 / 17.GE20079		9,132	0
Welfare-to-Work Grants to States and Localities		GJD	17.253 / 17.GE92012		35,388	0
Welfare-to-Work Grants to States and Localities		GJD	17.253 / 17.Z8950		31,850	0
WIA Adult Program		GJD	17.258 / 17.10193		157	0
WIA Youth Activities		GJD	17.259 / 17.GE10214		19,770	0
WIA Dislocated Workers		GJD	17.260 / 17.178		26,336	0
U.S. DOL						
Employment Services & Job Training Pilots: Demonstrations and Research		GJD	17.249 / 17.N6936-8-00-87-60		26,015	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					664,417	0
SUBTOTAL EMPLOYMENT AND TRAINING ADMINISTRATION, DEPARTMENT OF LABOR					560,239,556	25,052,812
MINE SAFETY AND HEALTH ADMINISTRATION, DEPARTMENT OF LABOR						
DIRECT FROM:						
MINE SAFETY AND HEALTH ADMINISTRATION, DEPARTMENT OF LABOR						
Mine Health & Safety Grants		PKA	17.600		234,320	0
SUBTOTAL DIRECT FROM:					234,320	0
SUBTOTAL MINE SAFETY AND HEALTH ADMINISTRATION, DEPARTMENT OF LABOR					234,320	0
OFFICE OF THE ASSISTANT SECRETARY FOR VETERANS' EMPLOYMENT AND TRAINING, DEPARTMENT OF LABOR						
DIRECT FROM:						
OFFICE OF THE ASSISTANT SECRETARY FOR VETERANS' EMPLOYMENT AND TRAINING, DEPARTMENT OF LABOR						
Disabled Veterans' Outreach Program (DVOP)		GFD	17.801		106,146	0
Disabled Veterans' Outreach Program (DVOP)		KAA	17.801		1,702,976	121,879
Veterans' Employment Program		GFD	17.802		1,866,215	87,358
Veterans' Employment Program		KAA	17.802		120,961	387,973
Local Veterans' Employment Representative Program		KAA	17.804		1,103,129	63,945
SUBTOTAL DIRECT FROM:					4,899,427	661,155
SUBTOTAL OFFICE OF THE ASSISTANT SECRETARY FOR VETERANS' EMPLOYMENT AND TRAINING, DEPARTMENT OF LABOR					4,899,427	661,155
SUBTOTAL DEPARTMENT OF LABOR					568,158,039	25,713,967

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
-----									
DEPARTMENT OF STATE									
BUREAU OF INTELLIGENCE AND RESEARCH, DEPARTMENT OF STATE									
PASS-THROUGH PROGRAMS FROM:									
CID-Consortium for Inter. Development									
Program for Study of Eastern Europe & the Independent States of the Former Soviet Union						GGB	19.300 / 19.CSU-PCO-13	342	0
NATIONAL COUNCIL EURASIAN EAST EUROPEAN RSCH						GFB	19.300 / 19.817-8	18,424	0
Program for Study of Eastern Europe & the Independent States of the Former Soviet Union								-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								18,766	0
SUBTOTAL BUREAU OF INTELLIGENCE AND RESEARCH, DEPARTMENT OF STATE								-----	-----
								18,766	0
SUBTOTAL DEPARTMENT OF STATE								-----	-----
								18,766	0
-----									
DEPARTMENT OF TRANSPORTATION									
FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION									
DIRECT FROM:									
FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION									
Airport Improvement Program						HAA	20.106	171,990	0
SUBTOTAL DIRECT FROM:								-----	-----
								171,990	0
SUBTOTAL FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION								-----	-----
								171,990	0
FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION									
DIRECT FROM:									
FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION									
Highway Planning & Construction						GGB	20.205	289,831	0
Highway Planning & Construction						HAA	20.205	289,141,712	39,449,424
National Motor Carrier Safety						RAA	20.218	1,702,231	637,102
Recreational Trails Program						PJA	20.219	921,072	0
SUBTOTAL DIRECT FROM:								-----	-----
								292,054,846	40,086,526
SUBTOTAL FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION								-----	-----
								292,054,846	40,086,526
FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION									
DIRECT FROM:									
FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION									
Federal Transit: Metropolitan Planning Grants						HAA	20.505	84,445	125,923
Formula Grants for Other Than Urbanized Areas						HAA	20.509	286,011	1,896,421
Capital Assistance Program for Elderly Persons & Persons with Disabilities						HAA	20.513	67,136	609,180
SUBTOTAL DIRECT FROM:								-----	-----
								437,592	2,631,524
SUBTOTAL FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION								-----	-----
								437,592	2,631,524

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION		FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION					
DIRECT FROM:							
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION		FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION					
State & Community Highway Safety			HAA	20.600		1,178,467	2,062,495
SUBTOTAL DIRECT FROM:						1,178,467	2,062,495
SUBTOTAL NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION		FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION				1,178,467	2,062,495
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION							
DIRECT FROM:							
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION		Alcohol Traffic Safety & Drunk Driving Prevention Incentive Grants			HAA	20.601	
SUBTOTAL DIRECT FROM:						606,268	0
SUBTOTAL NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION						606,268	0
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION, DEPARTMENT OF TRANSPORTATION							
DIRECT FROM:							
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION, DEPARTMENT OF TRANSPORTATION		Pipeline Safety			SGA	20.700	
Interagency Hazardous Materials Public Sector Training and Planning Grants			NAA	20.703		150,148	0
SUBTOTAL DIRECT FROM:						123,198	55,600
SUBTOTAL RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION, DEPARTMENT OF TRANSPORTATION						273,346	55,600
U.S. COAST GUARD, DEPARTMENT OF TRANSPORTATION							
DIRECT FROM:							
U.S. COAST GUARD, DEPARTMENT OF TRANSPORTATION		Boating Safety Financial Assistance			PJA	20.005	
SUBTOTAL DIRECT FROM:						317,912	0
SUBTOTAL U.S. COAST GUARD, DEPARTMENT OF TRANSPORTATION						317,912	0
SUBTOTAL DEPARTMENT OF TRANSPORTATION						295,040,421	44,836,145
-----							
DEPARTMENT OF TREASURY							
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, DEPARTMENT OF THE TREASURY							
DIRECT FROM:							
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, DEPARTMENT OF THE TREASURY		Great Grant			RAA	21.UNKNOWN	
SUBTOTAL DIRECT FROM:						273,711	0
SUBTOTAL BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, DEPARTMENT OF THE TREASURY						273,711	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY MAJOR SUBDIVISION OF FEDERAL AGENCY SOURCE TYPE (DIRECT OR PASS-THROUGH) ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY) PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
DEPARTMENT OF TREASURY					
DIRECT FROM:					
DEPARTMENT OF TREASURY Treasury Equitable Sharing Program		TAA	21.COURT AWARDS	6.603	0
SUBTOTAL DIRECT FROM:				6.603	0
SUBTOTAL DEPARTMENT OF TREASURY				6.603	0
U.S. CUSTOMS SERVICES, DEPARTMENT OF THE TREASURY					
DIRECT FROM:					
U.S. CUSTOMS SERVICES, DEPARTMENT OF THE TREASURY White Collar Crime 119		RAA	21.UNKNOWN	532	0
SUBTOTAL DIRECT FROM:				532	0
SUBTOTAL U.S. CUSTOMS SERVICES, DEPARTMENT OF THE TREASURY				532	0
SUBTOTAL DEPARTMENT OF TREASURY				280.846	0
-----					
OFFICE OF PERSONNEL MANAGEMENT					
OFFICE OF PERSONNEL MANAGEMENT					
DIRECT FROM:					
OFFICE OF PERSONNEL MANAGEMENT Intergovernmental Personnel Act (IPA) Mobility Program		GFE	27.011	77.882	0
SUBTOTAL DIRECT FROM:				77.882	0
SUBTOTAL OFFICE OF PERSONNEL MANAGEMENT				77.882	0
SUBTOTAL OFFICE OF PERSONNEL MANAGEMENT				77.882	0
-----					
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION					
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION					
DIRECT FROM:					
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION Employment Discrimination: State and Local Fair Employment Practices Agency Contracts		SDA	30.002	381.307	0
SUBTOTAL DIRECT FROM:				381.307	0
SUBTOTAL EQUAL EMPLOYMENT OPPORTUNITY COMMISSION				381.307	0
SUBTOTAL EQUAL EMPLOYMENT OPPORTUNITY COMMISSION				381.307	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

GENERAL SERVICES ADMINISTRATION

GENERAL SERVICES ADMINISTRATION

DIRECT FROM:

GENERAL SERVICES ADMINISTRATION

Business Services

GFE 39.001

2,997,800

0

Donation of Federal Surplus Personal Property

CFB 39.003

337,676

0

SUBTOTAL DIRECT FROM:

3,335,476

0

SUBTOTAL GENERAL SERVICES ADMINISTRATION

3,335,476

0

SUBTOTAL GENERAL SERVICES ADMINISTRATION

3,335,476

0

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

DIRECT FROM:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Aerospace Education Services Program

GFB 43.001

953,012

115,934

Aerospace Education Services Program

GGB 43.001

65,790

0

Technology Transfer

GFB 43.002

23

0

NASA

PIA 43.NAG13-02026

56,490

0

WHEN ECOLOGIES COLLIDE? PLANETARY PROTE

GGB 43.NCC2-1268

51,873

0

Grad. Student Res. Prog.

GGJ 43.NGT-1-52209

13,090

0

KONRAD GOJARA FELLOWSHIP (NASA EARTH SYS

GGB 43.NGT5-30421

14,757

0

SUBTOTAL DIRECT FROM:

1,155,035

115,934

PASS-THROUGH PROGRAMS FROM:

NASA

Technology Transfer

GJD 43.002 / 43.NASA PA 2001

52,065

0

SPACE TELESCOPE SCIENCE INSTITUTE

Technology Transfer

GFB 43.002 / 43.HST-E0-09221.06-A

13,590

0

Technology Transfer

GFB 43.002 / 43.HST-HF-01113.01-A

12,503

0

Univ of Texas San Antonio

Technology Transfer

GJD 43.002 / 43.NAG5-11741

15,686

0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

93,844

0

SUBTOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

1,248,879

115,934

SUBTOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

1,248,879

115,934

NATIONAL ENDOWMENT FOR THE HUMANITIES

INSTITUTE OF MUSEUM AND LIBRARY SERVICES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

DIRECT FROM:

INSTITUTE OF MUSEUM AND LIBRARY SERVICES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Institute of Museum and Library Services

GFC 45.301

13,158

0

Institute of Museum and Library Services

GHD 45.301 / 45.IG80642-98

37,830

0

Conservation Project Support

GCA 45.303

37,302

0

State Library Program

DAA 45.310

1,771,325

354,633

SUBTOTAL DIRECT FROM:

1,859,615

354,633

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS	
PASS-THROUGH PROGRAMS FROM:						
Pathfdr Reg Libr						
Institute of Museum and Library Services: National Leadership Grants		GGH	45.312 / 45.No number assigned	1,333	0	
UNIVERSITY OF DENVER						
Institute of Museum and Library Services: National Leadership Grants		GFB	45.312 / 45.OCG4243B	6,030	0	
Univ of Denver						
Institute of Museum and Library Services: National Leadership Grants		GGH	45.312 / 45.LL-90094-99	1,803	0	
University of Denver						
Institute of Museum and Library Services: National Leadership Grants		GGB	45.312 / 45.LL-99094-99	2,945	0	
Institute of Museum and Library Services: National Leadership Grants		GGB	45.312 / 45.SUBGRANT	2,620	0	
				-----	-----	
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				14,731	0	
				-----	-----	
SUBTOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES				1,874,346	354,633	
NATIONAL ENDOWMENT FOR THE ARTS, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES						
DIRECT FROM:						
NATIONAL ENDOWMENT FOR THE ARTS, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES						
Creative Links-Positive Alt. For Youth		GHD	45.00-9000-3005	2,465	0	
Promotion of the Arts: Grants to Organizations and Individuals		GFB	45.024	11,643	0	
Promotion of the Arts: Partnership Agreements		GBA	45.025 / 45.01-6100-2019	0	541,900	
				-----	-----	
SUBTOTAL DIRECT FROM:				14,108	541,900	
				-----	-----	
SUBTOTAL NATIONAL ENDOWMENT FOR THE ARTS, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES				14,108	541,900	
NATIONAL ENDOWMENT FOR THE HUMANITIES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES						
DIRECT FROM:						
NATIONAL ENDOWMENT FOR THE HUMANITIES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES						
Promotion of the Humanities: Fellowships and Stipends		GFB	45.160	(9,528)	0	
Promotion of the Humanities: Seminars and Institutes		GGB	45.163	77,879	0	
Preserv of Textile Collec		GGH	45.IC-05-02-0212-02	6,096	0	
Archival Stor of NA Coll		GGH	45.PA-23895-01	2,119	0	
				-----	-----	
SUBTOTAL DIRECT FROM:				76,566	0	
PASS-THROUGH PROGRAMS FROM:						
COLORADO ENDOWMENT FOR THE HUMANITIES						
Promotion of the Humanities: Federal/State Partnership		GFB	45.129 / 45.P011-0301-007	3,282	0	
Promotion of the Humanities: Federal/State Partnership		GFB	45.129 / 45.P111-0900-069S	4,907	0	
Promotion of the Humanities: Challenge Grants		GFB	45.130 / 45.P079-1099-049	1	0	
Colorado Endowment for the Humanities						
Promotion of the Humanities: Federal/State Partnership		GGB	45.129 / 45.P088-1099-055	1,265	0	
				-----	-----	
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				9,455	0	
				-----	-----	
SUBTOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES				86,021	0	
				-----	-----	
SUBTOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES				1,974,475	896,533	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
NATIONAL SCIENCE FOUNDATION					
NATIONAL SCIENCE FOUNDATION					
DIRECT FROM:					
NATIONAL SCIENCE FOUNDATION					
Engineering Grants		GFB	47.041	4,357	0
Engineering Grants		GFD	47.041	8,153	0
Mathematical and Physical Sciences		GFB	47.049	644,326	1,123
Mathematical and Physical Sciences		GFC	47.049	12,710	0
Geosciences		GFB	47.050	379,505	89,497
Geosciences		GGB	47.050	1,685	0
Biological Sciences		GFB	47.074	38,857	0
Biological Sciences		GFE	47.074	116	0
Biological Sciences		GGB	47.074	5,195	0
Biological Sciences		GGH	47.074 / 47.MCB-9973746	6,947	0
Social, Behavioral, and Economic Sciences		GFB	47.075	202,000	0
Social, Behavioral, and Economic Sciences		GHD	47.075 / 47.SES-0114492	49,304	0
Education and Human Resources		GFB	47.076	1,364,791	0
Education and Human Resources		GFD	47.076	143,609	0
Education and Human Resources		GFE	47.076	67,868	0
Education and Human Resources		GGB	47.076	480,700	562,249
Education and Human Resources		GHB	47.076	89,015	0
Education and Human Resources		GJC	47.076	119,557	0
Education and Human Resources		GJJ	47.076	2,583	0
Education and Human Resources		GKA	47.076 / 47.DGE-0086443&REC-00950	168,919	143,787
Education and Human Resources		GGH	47.076 / 47.DUE-0088502	42,976	0
Academic Research Infrastructure		GFB	47.077	7,237	0
Collaborative Research		GGJ	47.DMI-0114007	9,268	0
Microscope		GGJ	47.DUE-0087833	51,173	0
National Science Foundation		GHC	47.DUE-0094493	77,745	0
National Science Foundation		GHC	47.DUE-0101820	37,128	0
Scholarships		GGJ	47.DUE-9987287	105,014	0
National Science Foundation		GHC	47.EAR-0116419	96,887	0
WGIDPO-Gender Equity in Science, Engineering & Mathematics Education		GHD	47.HDR-9714751	223,765	0
SUBTOTAL DIRECT FROM:				4,441,390	796,656
PASS-THROUGH PROGRAMS FROM:					
ARIZONA STATE UNIVERSITY					
Engineering Grants		GFB	47.041 / 47.KMD5270-25-18	(24)	0
Engineering Grants		GFB	47.041 / 47.KMD5270-25-24-SUB	(3)	0
Mathematical and Physical Sciences		GFB	47.049 / 47.KMD5270-25-32/UR022	378	0
Mathematical and Physical Sciences		GFB	47.049 / 47.KMD5270-25-32UR021	378	0
Mathematical and Physical Sciences		GFB	47.049 / 47.KMD52702520/97UR002	(296)	0
Education and Human Resources		GFB	47.076 / 47.KMD5270-25-31	24,982	0
DPS					
Learning to Teach Secondary Math		GHD	47.REC-9605030	15,892	6,003
HIGHLANDS UNIV					
Undergraduate Science, Engineering, and Mathematics Education		GHB	47.071 / 47.ESR9554468	1,320	0
INCORPORATED RESEARCH INSTITUTIONS SEISMOLOGY					
Mathematical and Physical Sciences		GFB	47.049 / 47.AGREEMENT0787	(116)	0
Mathematical and Physical Sciences		GFB	47.049 / 47.EAR-9529992	2,609	0
Michigan Tech					
Distributed Computing		GHD	47.CCR-9984682	190	0
Montana State University					
Education and Human Resources		GKA	47.076 / 47.NSF ESI-0119786	49,850	0
Northwestern University					
Education and Human Resources		GKA	47.076 / 47.NSF ESI-9720687/002	851	0
ST VRAIN VALLEY SCHOOL DISTRICT					
Education and Human Resources		GFB	47.076 / 47.705577	(891)	0
Education and Human Resources		GFB	47.076 / 47.PO#66100399	(3,177)	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
Social Science Ed Consort.		GKA	47.076 / 47.NSF ESI-9618969	2,373	0
Education and Human Resources					
UCAR-NCAR-Research Applications Program		GGB	47.S01-30979 MOD 1-02	15,939	0
THE DIGITAL LIBRARY FOR EARTH SYST					
UNIVERSITY CORP. FOR ATMOSPHERIC RESEARCH		GFB	47.076 / 47.S01-32607	9,718	0
Education and Human Resources		GFB	47.076 / 47.S97-83875	(618)	0
Education and Human Resources					
UNIVERSITY OF ALASKA		GHC	47.UNKNOWN	3,600	0
National Science Foundation					
Univ of California Davis		GKA	47.074 / 47.NSF DEB-0120169	9,703	0
Biological Sciences					
University of Georgia		GHD	47.070 / 47.RR171-027/4184227	1,032	496
Computer and Information Science and Engineering					
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				133,690	6,499
SUBTOTAL NATIONAL SCIENCE FOUNDATION				4,575,080	803,155
SUBTOTAL NATIONAL SCIENCE FOUNDATION				4,575,080	803,155
-----					
SMALL BUSINESS ADMINISTRATION					
SMALL BUSINESS ADMINISTRATION					
DIRECT FROM:					
SMALL BUSINESS ADMINISTRATION		EDA	59.037	239,366	861,091
Small Business Development Center		GFC	59.037	4	0
Small Business Development Center		FAA	59.OEP-RU1-EPA	522	0
Dry Cleaners Grant					
SUBTOTAL DIRECT FROM:				239,892	861,091
SUBTOTAL SMALL BUSINESS ADMINISTRATION				239,892	861,091
SUBTOTAL SMALL BUSINESS ADMINISTRATION				239,892	861,091
-----					
DEPARTMENT OF VETERANS AFFAIRS					
DEPARTMENT OF VETERANS AFFAIRS					
DIRECT FROM:					
DEPARTMENT OF VETERANS AFFAIRS		GJJ	64.UNKNOWN	26,722	0
Vet Affairs					
SUBTOTAL DIRECT FROM:				26,722	0
SUBTOTAL DEPARTMENT OF VETERANS AFFAIRS				26,722	0
NATIONAL CEMETERY SYSTEM, DEPARTMENT OF VETERANS AFFAIRS					
DIRECT FROM:					
NATIONAL CEMETERY SYSTEM, DEPARTMENT OF VETERANS AFFAIRS		IHA	64.203	5,227,696	0
State Cemetery Grants					
SUBTOTAL DIRECT FROM:				5,227,696	0
SUBTOTAL NATIONAL CEMETERY SYSTEM, DEPARTMENT OF VETERANS AFFAIRS				5,227,696	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

VETERANS BENEFITS ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS

DIRECT FROM:

VETERANS BENEFITS ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS

Vocational Rehabilitation for Disabled Veterans

GFD 64.116

195,210

0

Vocational Training for Certain Veterans Receiving VA Pension

GJA 64.123

177,138

0

Vocational and Educational Counseling for Service Members and Veterans

GFD 64.125

507,183

0

Veteran's Recording Fee

GJG 64.UNKNOWN

1,155

0

SUBTOTAL DIRECT FROM:

880,686

0

SUBTOTAL VETERANS BENEFITS ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS

880,686

0

VETERANS HEALTH ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS

DIRECT FROM:

VETERANS HEALTH ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS

Grants to States for Construction of State Home Facilities

IHA 64.005

15,497,912

0

Veterans Nursing Home Care

ILB 64.010

305,046

0

Veterans Nursing Home Care

ILC 64.010

332,426

0

Veterans Nursing Home Care

ILD 64.010

68,473

0

Veterans Nursing Home Care

ILE 64.010

152,070

0

Veterans State Domiciliary Care

ILB 64.014

223,084

0

Veterans State Nursing Home Care

ILB 64.015

896,145

0

Veterans State Nursing Home Care

ILC 64.015

1,805,230

0

Veterans State Nursing Home Care

ILD 64.015

1,409,953

0

Veterans State Nursing Home Care

ILE 64.015

1,667,831

0

Sharing Specialized Medical Resources

GFE 64.018

1,930,567

0

SUBTOTAL DIRECT FROM:

24,288,737

0

SUBTOTAL VETERANS HEALTH ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS

24,288,737

0

SUBTOTAL DEPARTMENT OF VETERANS AFFAIRS

30,423,841

0

ENVIRONMENTAL PROTECTION AGENCY

ENVIRONMENTAL EDUCATION DIVISION, ENVIRONMENTAL PROTECTION AGENCY

DIRECT FROM:

ENVIRONMENTAL EDUCATION DIVISION, ENVIRONMENTAL PROTECTION AGENCY

Environmental Education and Training Program

GGB 66.950

4,145

0

SUBTOTAL DIRECT FROM:

4,145

0

SUBTOTAL ENVIRONMENTAL EDUCATION DIVISION, ENVIRONMENTAL PROTECTION AGENCY

4,145

0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
ENVIRONMENTAL PROTECTION AGENCY					
DIRECT FROM:					
ENVIRONMENTAL PROTECTION AGENCY					
Unclassified Grants and Contracts		EDA	66.000	1,856	0
Performance Partnership Grants (A,B) -		FAA	66.605	7,566,506	896,297
Surveys, Studies, Investigations and Special Purpose Grants (B) -		FAA	66.606	385,213	292,019
Surveys, Studies, Investigations and Special Purpose Grants (B) -		GFB	66.606	17,507	0
Surveys, Studies, Investigations and Special Purpose Grants (B) -		GJE	66.606	7,359	0
Surveys, Studies, Investigations and Special Purpose Grants (B) -		PKA	66.606	10,627	0
TRAINING LIVESTOCK PRODUCERS TO IMPLEMEN		GGB	66.CP-98827501-0	2,455	0
Integ Fuel Cell Tech		EFA	66.EPA98857401-0	1,602	0
IPA Bedford		FAA	66.OEP-BM1-EPA	71,587	0
AST DATABASE		KAA	66.X998409-01	45,670	0
SUBTOTAL DIRECT FROM:				8,110,382	1,188,316
SUBTOTAL ENVIRONMENTAL PROTECTION AGENCY				8,110,382	1,188,316
OFFICE OF ADMINISTRATION, ENVIRONMENTAL PROTECTION AGENCY					
DIRECT FROM:					
OFFICE OF ADMINISTRATION, ENVIRONMENTAL PROTECTION AGENCY					
Environmental Protection Consolidated Grants: Program Support		PAA	66.600	0	253,569
SUBTOTAL DIRECT FROM:				0	253,569
SUBTOTAL OFFICE OF ADMINISTRATION, ENVIRONMENTAL PROTECTION AGENCY				0	253,569
OFFICE OF AIR AND RADIATION, ENVIRONMENTAL PROTECTION AGENCY					
DIRECT FROM:					
OFFICE OF AIR AND RADIATION, ENVIRONMENTAL PROTECTION AGENCY					
Air Pollution Control Program Support		FAA	66.001	31,272	31,400
State Indoor Radon Grants		GFC	66.032	(6,258)	0
SUBTOTAL DIRECT FROM:				25,014	31,400
SUBTOTAL OFFICE OF AIR AND RADIATION, ENVIRONMENTAL PROTECTION AGENCY				25,014	31,400
OFFICE OF ENFORCEMENT AND COMPLIANCE ASSURANCE, ENVIRONMENTAL PROTECTION AGENCY					
DIRECT FROM:					
OFFICE OF ENFORCEMENT AND COMPLIANCE ASSURANCE, ENVIRONMENTAL PROTECTION AGENCY					
Consolidated Pesticide Enforcement Cooperative Agreements		BAA	66.700 / 66.E-008401-00	24,513	0
Consolidated Pesticide Enforcement Cooperative Agreements		BAA	66.700 / 66.E-988460-02	202,599	0
Consolidated Pesticide Enforcement Cooperative Agreements		BAA	66.700 / 66.E008401-01	9,767	0
Consolidated Pesticide Enforcement Cooperative Agreements		BAA	66.700 / 66.E008411-99-0	139,558	0
Consolidated Pesticide Enforcement Cooperative Agreements		BAA	66.700 / 66.E998430-02-0	42,406	0
Consolidated Pesticide Enforcement Cooperative Agreements		BAA	66.700 / 66.E998430-001-0	37,535	0
Toxic Substances Compliance Monitoring Cooperative Agreements		FAA	66.701	12,550	0
SUBTOTAL DIRECT FROM:				468,928	0
SUBTOTAL OFFICE OF ENFORCEMENT AND COMPLIANCE ASSURANCE, ENVIRONMENTAL PROTECTION AGENCY				468,928	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY							
MAJOR SUBDIVISION OF FEDERAL AGENCY							
SOURCE TYPE (DIRECT OR PASS-THROUGH)							
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)							
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER		DIRECT EXPENDITURES		PASSED TO SUBRECIPIENTS
OFFICE OF ENVIRONMENTAL EDUCATION, ENVIRONMENTAL PROTECTION AGENCY							
DIRECT FROM:							
OFFICE OF ENVIRONMENTAL EDUCATION, ENVIRONMENTAL PROTECTION AGENCY							
Environmental Education Grants		GFB	66.951		4.980		0
					-----		-----
SUBTOTAL DIRECT FROM:					4.980		0
					-----		-----
SUBTOTAL OFFICE OF ENVIRONMENTAL EDUCATION, ENVIRONMENTAL PROTECTION AGENCY							
					4.980		0
OFFICE OF GRANTS AND DEBARMENT, ENVIRONMENTAL PROTECTION AGENCY							
DIRECT FROM:							
OFFICE OF GRANTS AND DEBARMENT, ENVIRONMENTAL PROTECTION AGENCY							
Training and Fellowships for the Environmental Protection Agency (B.M) -		GFB	66.607		23.307		0
					-----		-----
SUBTOTAL DIRECT FROM:					23.307		0
					-----		-----
SUBTOTAL OFFICE OF GRANTS AND DEBARMENT, ENVIRONMENTAL PROTECTION AGENCY							
					23.307		0
OFFICE OF PREVENTION, PESTICIDES AND TOXIC SUBSTANCES, ENVIRONMENTAL PROTECTION AGENCY							
DIRECT FROM:							
OFFICE OF PREVENTION, PESTICIDES AND TOXIC SUBSTANCES, ENVIRONMENTAL PROTECTION AGENCY							
Environmental Justice Through Pollution Prevention Grants		GJE	66.711		8.175		0
					-----		-----
SUBTOTAL DIRECT FROM:					8.175		0
					-----		-----
SUBTOTAL OFFICE OF PREVENTION, PESTICIDES AND TOXIC SUBSTANCES, ENVIRONMENTAL PROTECTION AGENCY							
					8.175		0
OFFICE OF RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY							
DIRECT FROM:							
OFFICE OF RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY							
Environmental Protection Consolidated Research		FAA	66.500		878		15.569
Environmental Protection Consolidated Research		GFB	66.500		11.371		0
Environmental Protection Consolidated Research		PBA	66.500		106.757		0
Environmental Protection Consolidated Research		PIA	66.500 / 66.R82843901		33.161		0
					-----		-----
SUBTOTAL DIRECT FROM:					152.167		15.569
					-----		-----
SUBTOTAL OFFICE OF RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY							
					152.167		15.569
OFFICE OF SOLID WASTE AND EMERGENCY RESPONSE, ENVIRONMENTAL PROTECTION AGENCY							
DIRECT FROM:							
OFFICE OF SOLID WASTE AND EMERGENCY RESPONSE, ENVIRONMENTAL PROTECTION AGENCY							
Superfund State, Political Subdivision, and Indian Tribe Site: Specific Cooperative Agreements		FAA	66.802		7,454.988		1,668.289
State and Tribal Underground Storage Tanks Program		KAA	66.804		109.958		0
Leaking Underground Storage Tank: Trust Fund		KAA	66.805		771.179		0
Brownfield Pilots Cooperative Agreements (B) -		FAA	66.811		17.997		745.344
					-----		-----
SUBTOTAL DIRECT FROM:					8,354.122		2,413.633
					-----		-----
SUBTOTAL OFFICE OF SOLID WASTE AND EMERGENCY RESPONSE, ENVIRONMENTAL PROTECTION AGENCY							
					8,354.122		2,413.633

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

OFFICE OF SOLID WASTE, ENVIRONMENTAL PROTECTION AGENCY									
DIRECT FROM:									
OFFICE OF SOLID WASTE, ENVIRONMENTAL PROTECTION AGENCY									
Solid Waste Management Assistance						FAA	66.808	13,256	31,694
SUBTOTAL DIRECT FROM:								13,256	31,694
SUBTOTAL OFFICE OF SOLID WASTE, ENVIRONMENTAL PROTECTION AGENCY								13,256	31,694
OFFICE OF WATER, ENVIRONMENTAL PROTECTION AGENCY									
DIRECT FROM:									
OFFICE OF WATER, ENVIRONMENTAL PROTECTION AGENCY									
State Underground Water Source Protection						GJL	66.433	45,952	0
State Underground Water Source Protection						PHA	66.433	95,398	0
Water Quality Management Planning						FAA	66.454	92,459	117,249
Water Quality Management Planning						PKA	66.454	9,888	0
Nonpoint Source Implementation Grants						FAA	66.460	49,714	1,918,360
Water Quality Cooperative Agreements						FAA	66.463	2,302	19,320
Water Quality Cooperative Agreements						PKA	66.463	10,942	0
SUBTOTAL DIRECT FROM:								306,655	2,054,929
PASS-THROUGH PROGRAMS FROM:									
CO Water Res & Power Dev.									
Capitalization Grants for State Revolving Funds						FAA	66.458 / 66.CS080001-96-3	642,011	0
Capitalization Grants for State Revolving Funds						FAA	66.458 / 66.FS99883298	125,847	59,700
Capitalization Grants for State Revolving Funds						FAA	66.458 / 66.WQC-XG9-POW	38,549	469
Capitalization Grants for State Revolving Funds						FAA	66.458 / 66.WQC-XH1-POW	6,388	0
Capitalization Grants for State Revolving Funds						FAA	66.458 / 66.WQC-XQ1-POW	512,767	0
Capitalization Grants for State Revolving Funds						FAA	66.458 / 66.WQC-XR1-POW	5,849	0
Capitalization Grants for State Revolving Funds						FAA	66.458 / 66.WQC-XT1-POW	487,416	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								1,818,827	60,169
SUBTOTAL OFFICE OF WATER, ENVIRONMENTAL PROTECTION AGENCY								2,125,482	2,115,098
SUBTOTAL ENVIRONMENTAL PROTECTION AGENCY								19,289,958	6,049,279
-----									
NUCLEAR REGULATORY COMMISSION									
OFFICE OF STATE PROGRAMS, NUCLEAR REGULATORY COMMISSION									
DIRECT FROM:									
OFFICE OF STATE PROGRAMS, NUCLEAR REGULATORY COMMISSION									
Radiation Control: Training Assistance and Advisory Counseling						FAA	77.001	49,578	0
SUBTOTAL DIRECT FROM:								49,578	0
SUBTOTAL OFFICE OF STATE PROGRAMS, NUCLEAR REGULATORY COMMISSION								49,578	0
SUBTOTAL NUCLEAR REGULATORY COMMISSION								49,578	0
-----									

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME					
DEPARTMENT OF ENERGY					
DEPARTMENT OF ENERGY					
DIRECT FROM:					
DEPARTMENT OF ENERGY					
WRPEB Biomass Pwr		EFA	81.55045	3,809	0
WRPEB Odor to Energy		EFA	81.55001	3,632	0
Petroleum Violation Escrow		EFA	81.Court Order Exxon	509,401	0
Petroleum Violation Escrow		EFA	81.Court Order Strpr Well	408,835	0
Petroleum Violation Escrow		EFA	81.Court Order Texaco	10,000	0
Petroleum Violation Escrow		EFA	81.Court Order Vickers	19,162	0
ERHC FEE REDUCTION		EFA	81.DE-FG4898 R802301	7,050	0
SEP-Pgm Supp		EFA	81.R802101-02	581,000	0
Denver/Blidr Sch District		EFA	81.R802901	47,500	0
Corngrowers		EFA	81.R803101	167,704	0
Promo of Energy Effc		EFA	81.R803401	87,012	0
Ford IWG Fuel Prjct		EFA	81.R803601-01	58,450	0
CO Spgs Coordinator		EFA	81.R803701	13,333	0
Take Charge		EFA	81.R803801	28,346	0
Denver/Blidr Bus II		EFA	81.R803901	30,000	0
Rebuild America		EFA	81.R804001	4,065	0
Imple St IOF Plan		EFA	81.R804101	52,218	0
Promote Energy Effcy		EFA	81.R804201	2,009	0
Rebuild CO		EFA	81.R804301	9,075	0
Energy & Environ		EFA	81.R804401	7,134	0
Biomass Power		EFA	81.R804501	17,338	0
NICE 3		EFA	81.R810688-01	81,761	0
Distr Gen Efforts		EFA	81.R820101	10,068	0
				-----	-----
SUBTOTAL DIRECT FROM:				2,158,902	0
PASS-THROUGH PROGRAMS FROM:					
GwPRF					
Ben Use-CBM Prod Water		GGH	81.731271210	2,117	0
SJ Basin Groundwater Modeling		GGH	81.DE-FG15141-CERA-SJ	5,649	0
Los Alamos Lab					
Field Research in Biochem		GGH	81.39092-001-01	47,760	0
University City Science Center					
INDUSTRIAL ASSESSMENT CENTER -UNIV		GGB	81.DE-FC01-97EE41319 MOD #	290,720	0
Utah Geological Survey					
DOE Paradox Basin		PIA	81.01614900E/UGS	6,672	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				352,918	0
				-----	-----
SUBTOTAL DEPARTMENT OF ENERGY				2,511,820	0
OFFICE OF DEFENSE PROGRAMS, DEPARTMENT OF ENERGY					
DIRECT FROM:					
OFFICE OF DEFENSE PROGRAMS, DEPARTMENT OF ENERGY					
National Resource Center for Plutonium		FAA	81.110	2,156,260	148,993
				-----	-----
SUBTOTAL DIRECT FROM:				2,156,260	148,993
				-----	-----
SUBTOTAL OFFICE OF DEFENSE PROGRAMS, DEPARTMENT OF ENERGY				2,156,260	148,993

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY						
DIRECT FROM:						
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY						
Weatherization Assistance for Low-Income Persons		EFA	81.042 / 81.R802001		5,050,367	0
					-----	-----
SUBTOTAL DIRECT FROM:					5,050,367	0
					-----	-----
SUBTOTAL OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY					5,050,367	0
OFFICE OF ENERGY EFFICIENCY CONSERVATION AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY						
PASS-THROUGH PROGRAMS FROM:						
NATIONAL RENEWABLE ENERGY LABORATORY						
Renewable Energy Research & Development		GFB	81.087 / 81.ACL-1-31001-01		10,000	0
Renewable Energy Research & Development		GFB	81.087 / 81.KXCQ-9-29638-19		5,968	0
SANDIA NATIONAL LABORATORIES						
Renewable Energy Research & Development		GFB	81.087 / 81.28391		5,646	0
					-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					21,614	0
					-----	-----
SUBTOTAL OFFICE OF ENERGY EFFICIENCY CONSERVATION AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY					21,614	0
OFFICE OF ENERGY RESEARCH, DEPARTMENT OF ENERGY						
DIRECT FROM:						
OFFICE OF ENERGY RESEARCH, DEPARTMENT OF ENERGY						
SEEDS		GJK	81.DE-FG34-00R01952		55,031	0
					-----	-----
SUBTOTAL DIRECT FROM:					55,031	0
					-----	-----
PASS-THROUGH PROGRAMS FROM:						
NATIONAL RENEWABLE ENERGY LABORATORY						
Office of Science Financial Assistance Program		GFB	81.049 / 81.KAT-9-29638-13		14,993	0
Office of Science Financial Assistance Program		GFB	81.049 / 81.KCQ-9-29638-11		23,924	0
Office of Science Financial Assistance Program		GFB	81.049 / 81.KCQ-9-29638-15		15,511	0
Office of Science Financial Assistance Program		GFB	81.049 / 81.KCQ-9-29638-17		30,757	0
Office of Science Financial Assistance Program		GFB	81.049 / 81.KDJ-9-29638-03		(4,617)	0
Office of Science Financial Assistance Program		GFB	81.049 / 81.KDJ-9-29638-05		27,297	0
Office of Science Financial Assistance Program		GFB	81.049 / 81.KDJ-9-29638-14		11,544	0
Office of Science Financial Assistance Program		GFB	81.049 / 81.KXCQ-9-29638-18		17,522	0
					-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					136,931	0
					-----	-----
SUBTOTAL OFFICE OF ENERGY RESEARCH, DEPARTMENT OF ENERGY					191,962	0
OFFICE OF ENVIRONMENTAL MANAGEMENT, DEPARTMENT OF ENERGY						
DIRECT FROM:						
OFFICE OF ENVIRONMENTAL MANAGEMENT, DEPARTMENT OF ENERGY						
Office of Science and Technology for Environmental Management		FAA	81.104		54,390	6,160
					-----	-----
SUBTOTAL DIRECT FROM:					54,390	6,160
					-----	-----

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
PASS-THROUGH PROGRAMS FROM:									
Western Governors Assn.									
Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States & Tribal Concerns. Proposed Solu						FAA	81.106 / 81.2611	136.376	70.804
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								136.376	70.804
SUBTOTAL OFFICE OF ENVIRONMENTAL MANAGEMENT, DEPARTMENT OF ENERGY								190.766	76.964
SUBTOTAL DEPARTMENT OF ENERGY								10,122.789	225.957
-----									
UNITED STATES INFORMATION AGENCY									
UNITED STATES INFORMATION AGENCY									
DIRECT FROM:									
UNITED STATES INFORMATION AGENCY									
College and University Affiliations Program						GFD	82.011	27.266	0
SUBTOTAL DIRECT FROM:								27.266	0
SUBTOTAL UNITED STATES INFORMATION AGENCY								27.266	0
SUBTOTAL UNITED STATES INFORMATION AGENCY								27.266	0
-----									
FEDERAL EMERGENCY MANAGEMENT AGENCY									
CHEMICAL AND RADIOLOGICAL PREPAREDNESS DIVISION, PREPAREDNESS, TRAINING AND EXERCISES DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY									
DIRECT FROM:									
CHEMICAL AND RADIOLOGICAL PREPAREDNESS DIVISION, PREPAREDNESS, TRAINING AND EXERCISES DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY									
Hazardous Materials Assistance Programs						NAA	83.012	0	5.333
SUBTOTAL DIRECT FROM:								0	5.333
SUBTOTAL CHEMICAL AND RADIOLOGICAL PREPAREDNESS DIVISION, PREPAREDNESS, TRAINING AND EXERCISES DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY								0	5.333
EMERGENCY MANAGEMENT INSTITUTE, PREPAREDNESS, TRAINING AND EXERCISES, FEDERAL EMERGENCY MANAGEMENT AGENCY									
DIRECT FROM:									
EMERGENCY MANAGEMENT INSTITUTE, PREPAREDNESS, TRAINING AND EXERCISES, FEDERAL EMERGENCY MANAGEMENT AGENCY									
State Dam Safety						PEA	83.EMW2000GR0121	75.103	0
SUBTOTAL DIRECT FROM:								75.103	0
SUBTOTAL EMERGENCY MANAGEMENT INSTITUTE, PREPAREDNESS, TRAINING AND EXERCISES, FEDERAL EMERGENCY MANAGEMENT AGENCY								75.103	0
FEDERAL EMERGENCY MANAGEMENT AGENCY									
DIRECT FROM:									
FEDERAL EMERGENCY MANAGEMENT AGENCY									
Emergency Management Performance Grants						NAA	83.552	935.136	1,387.133
Public Assistance - Unmet Needs						NAA	83.EMD-2000-GR-0051	72.724	811.088
Wildfire Hazardous Education Training						NAA	83.EMD-2001-GR-0151	10.000	0
Special Projects - Train The Trainer						NAA	83.EMD-2002-GR-0251	3.888	0
Federal Emergency Management Agency						PDA	83.EMD2000GR007	26.290	27.960
SUBTOTAL DIRECT FROM:								1,048.038	2,226.181

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
PASS-THROUGH PROGRAMS FROM: Pueblo County, Colo. Joint Info. Center		GGJ	83.UNKNOWN	2,932	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				2,932	0
				-----	-----
SUBTOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY				1,050,970	2,226,181
FEDERAL INSURANCE AND MITIGATION ADMINISTRATION, FEDERAL EMERGENCY MANAGEMENT AGENCY					
DIRECT FROM:					
FEDERAL INSURANCE AND MITIGATION ADMINISTRATION, FEDERAL EMERGENCY MANAGEMENT AGENCY Pre-Disaster Mitigation		NAA	83.557	1,449	0
				-----	-----
SUBTOTAL DIRECT FROM:				1,449	0
				-----	-----
SUBTOTAL FEDERAL INSURANCE AND MITIGATION ADMINISTRATION, FEDERAL EMERGENCY MANAGEMENT AGENCY				1,449	0
MITIGATION DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY					
DIRECT FROM:					
MITIGATION DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY National Fire Academy Educational Program		RAA	83.010	40,117	0
Community Assistance Program: State Support Services Element (CAP-SSSE)		NAA	83.105	104,885	0
Flood Mitigation Assistance		NAA	83.536	128,255	0
				-----	-----
SUBTOTAL DIRECT FROM:				273,257	0
				-----	-----
SUBTOTAL MITIGATION DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY				273,257	0
PROGRAM IMPLEMENTATION DIVISION, MITIGATION DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY					
DIRECT FROM:					
PROGRAM IMPLEMENTATION DIVISION, MITIGATION DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY Hazard Mitigation Grant		NAA	83.548	0	18,858
				-----	-----
SUBTOTAL DIRECT FROM:				0	18,858
				-----	-----
SUBTOTAL PROGRAM IMPLEMENTATION DIVISION, MITIGATION DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY				0	18,858
RESPONSE AND RECOVERY DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY					
DIRECT FROM:					
RESPONSE AND RECOVERY DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY Individual and Family Grants		IHA	83.543	257	74,847
Public Assistance Grants		NAA	83.544	135,170	2,420,600
Fire Management Assistance Grant		GGB	83.556	12,844,964	0
				-----	-----
SUBTOTAL DIRECT FROM:				12,980,391	2,495,447
				-----	-----
SUBTOTAL RESPONSE AND RECOVERY DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY				12,980,391	2,495,447

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

UNITED STATES FIRE ADMINISTRATION, FEDERAL EMERGENCY MANAGEMENT AGENCY							
DIRECT FROM:							
UNITED STATES FIRE ADMINISTRATION, FEDERAL EMERGENCY MANAGEMENT AGENCY							
First Responder Counter-Terrorism Training Assistance							
Chemical Stockpile and Emergency Preparedness Program						RAA	83.547
						NAA	83.549
							63.683
							508.724
SUBTOTAL DIRECT FROM:							572.407
SUBTOTAL UNITED STATES FIRE ADMINISTRATION, FEDERAL EMERGENCY MANAGEMENT AGENCY							572.407
SUBTOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY							14.953.577
-----							
DEPARTMENT OF EDUCATION							
DEPARTMENT OF EDUCATION							
DIRECT FROM:							
DEPARTMENT OF EDUCATION							
Unclassified Grants and Contracts						DAA	84.000 / 84.ED-99-CO-0074
Sys Chg Proj to Expand Emp Opp for Individuals with Mental or Physical Disabilities						GFE	84.989 / 84.84.989A
FFELP						GGJ	84.UNKNOWN
							29.210
							304.303
							1,343.967
SUBTOTAL DIRECT FROM:							1,677.480
SUBTOTAL DIRECT FROM:							401.121
PASS-THROUGH PROGRAMS FROM:							
National Writing Proj Corp							
National Writing Project Model						GKA	84.928 / 84.Contract #97-C001
							44.180
SUBTOTAL PASS-THROUGH PROGRAMS FROM:							44.180
SUBTOTAL DEPARTMENT OF EDUCATION							1,721.660
OFFICE OF ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION							
DIRECT FROM:							
OFFICE OF ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION							
Fund for the Improvement of Education						DAA	84.215
SUBTOTAL DIRECT FROM:							11.895
SUBTOTAL DIRECT FROM:							317.366
PASS-THROUGH PROGRAMS FROM:							
Council of Chief State School Officers							
Fund for the Improvement of Education						DAA	84.215 / 84.R215U010005
Los Angeles County Office of Education							
Star Schools						DAA	84.203 / 84.114248:01:02
							4.698
							270.055
SUBTOTAL PASS-THROUGH PROGRAMS FROM:							274.753
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION							286.648
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION							437.471
OFFICE OF ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION							
DIRECT FROM:							
OFFICE OF ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION							
Civil Rights Training and Advisory Services						GGB	84.004
Advanced Placement Program						DAA	84.330
Reading Excellence						DAA	84.338
							629.311
							34.208
							128.117
SUBTOTAL DIRECT FROM:							791.636
SUBTOTAL DIRECT FROM:							2,242.221

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME					
PASS-THROUGH PROGRAMS FROM:					
WICHE					
Advanced Placement Program		DAA	84.330 / 84.Contract	51,681	13,055
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				51,681	13,055
				-----	-----
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION				843,317	2,255,276
OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION					
Undergraduate International Studies and Foreign Language Programs		GGB	84.016	29,269	0
International: Overseas: Doctoral Dissertation		GFB	84.022	2,259	0
Higher Education: Institutional Aid		GFB	84.031	95,801	0
Higher Education: Institutional Aid		GJD	84.031	374,597	0
Higher Education: Institutional Aid		GJH	84.031	216,407	0
Higher Education: Institutional Aid		GJM	84.031	433,358	0
Higher Education: Institutional Aid		GGJ	84.031 / 84.84.031A	321,194	0
Higher Education: Institutional Aid		GHD	84.031 / 84.84.031A	308,383	0
Higher Education: Institutional Aid		GJK	84.031 / 84.84.031A	401,196	0
Higher Education: Institutional Aid		GHB	84.031 / 84.84.031S	314,458	0
Loan Cancellations		GFC	84.037	61,800	0
Loan Cancellations		GGB	84.037	50,523	0
Loan Cancellations		GGH	84.037	28,964	0
Loan Cancellations		GGJ	84.037	108,972	0
Loan Cancellations		GHC	84.037	11,276	0
Loan Cancellations		GHD	84.037	157,371	0
Loan Cancellations		GJM	84.037	49,516	0
Loan Cancellations		GKA	84.037	145,141	0
Loan Cancellations		GLA	84.037	1,653	0
TRIO: Student Support Services		GJF	84.042	197,433	0
TRIO: Student Support Services		GJK	84.042	280,281	0
TRIO: Student Support Services		GJM	84.042	287,514	0
TRIO: Student Support Services		GFB	84.042 / 84.84.042	507,173	0
TRIO: Student Support Services		GFD	84.042 / 84.84.042A	109,834	0
TRIO: Student Support Services		GGH	84.042 / 84.84.042A	249,920	0
TRIO: Student Support Services		GGJ	84.042 / 84.84.042A	264,706	0
TRIO: Student Support Services		GHB	84.042 / 84.84.042A	177,929	0
TRIO: Student Support Services		GHD	84.042 / 84.84.042A	240,543	0
TRIO: Student Support Services		GJD	84.042 / 84.84.042A	246,838	0
TRIO: Student Support Services		GJJ	84.042 / 84.84.042A	102,128	0
TRIO: Student Support Services		GJR	84.042 / 84.84.042A	224,680	0
TRIO: Student Support Services		GKA	84.042 / 84.84.042A	285,530	0
TRIO: Talent Search		GGB	84.044	313,483	0
TRIO: Talent Search		GHB	84.044	219,519	0
TRIO: Talent Search		GJM	84.044	267,058	0
TRIO: Talent Search		GGH	84.044 / 84.84.044A	253,301	0
TRIO: Talent Search		GJD	84.044 / 84.84.044A	287,925	0
TRIO: Upward Bound		GFB	84.047	267,227	0
TRIO: Upward Bound		GGB	84.047	386,789	0
TRIO: Upward Bound		GHB	84.047	402,826	0
TRIO: Upward Bound		GJK	84.047	314,553	0
TRIO: Upward Bound		GJM	84.047	607,586	0
TRIO: Upward Bound		GFB	84.047 / 84.84.047A	413,865	0
TRIO: Upward Bound		GFD	84.047 / 84.84.047A	229,847	0
TRIO: Upward Bound		GGH	84.047 / 84.84.047A	263,762	0
TRIO: Upward Bound		GGJ	84.047 / 84.84.047A	354,163	0
TRIO: Upward Bound		GHD	84.047 / 84.84.047A	658,618	0
TRIO: Upward Bound		GKA	84.047 / 84.84.047M	234,133	0
TRIO: Educational Opportunity Centers		GGB	84.066	406,322	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
TRIO: Educational Opportunity Centers		GGJ	84.066 / 84.84.066A		334,332	0
TRIO: Educational Opportunity Centers		GJD	84.066 / 84.84.066A		545,357	0
Leveraging Educational Assistance Partnership		GHC	84.069		16,977	0
Leveraging Educational Assistance Partnership		GAA	84.069 / 84.84.069A		412,862	0
Leveraging Educational Assistance Partnership		GAA	84.069 / 84.84.069B		349,998	0
Fund for the Improvement of Postsecondary Education		GGB	84.116		83,395	0
Fund for the Improvement of Postsecondary Education		GFB	84.116 / 84.84.116B		66,879	0
Fund for the Improvement of Postsecondary Education		GFE	84.116 / 84.84.116B		175,390	0
Fund for the Improvement of Postsecondary Education		GFB	84.116 / 84.84.116J		147,838	37,196
College Housing and Academic Facilities Loans		GGB	84.142		97,384	0
College Housing and Academic Facilities Loans		GKA	84.142		50,536	0
Business and International Education Projects		GJJ	84.153 / 84.84.153A		7,305	0
Byrd Honors Scholarships		DAA	84.185		0	579,798
Graduate Assistance in Areas of National Need		GGB	84.200		20,884	0
Graduate Assistance in Areas of National Need		GFB	84.200 / 84.84.200A		369,909	0
TRIO: McNair Post-Baccalaureate Achievement		GGB	84.217		219,583	0
TRIO: McNair Post-Baccalaureate Achievement		GFB	84.217 / 84.84.217A		257,359	0
TRIO: McNair Post-Baccalaureate Achievement		GFD	84.217 / 84.84.217A		47,162	0
TRIO: McNair Post-Baccalaureate Achievement		GKA	84.217 / 84.84.217A		235,850	0
Centers for International Business Education		GFD	84.220 / 84.84.220A		344,342	0
Gaining Early Awareness and Readiness for Undergraduate Programs		GGJ	84.334 / 84.84.334A		572,975	0
Gaining Early Awareness and Readiness for Undergraduate Programs		GKA	84.334 / 84.84.334A		441,828	0
Gaining Early Awareness and Readiness for Undergraduate Programs		EAA	84.334 / 84.P334A9900527-00		2,279,685	0
Child Care Access Means Parents in School		GFB	84.335		19,161	0
Child Care Access Means Parents in School		GGB	84.335		30,441	0
Child Care Access Means Parents in School		GJH	84.335		9,227	0
Child Care Access Means Parents in School		GJB	84.335 / 84.84.335A		6,030	0
Child Care Access Means Parents in School		GJJ	84.335 / 84.84.335A		31,587	0
Child Care Access Means Parents in School		GJL	84.335 / 84.84.335A		14,252	0
Child Care Access Means Parents in School		GKA	84.335 / 84.84.335A		36,612	0
Child Care Access Means Parents in School		GMA	84.335 / 84.84.335A		80,782	0
Child Care Access Means Parents in School		GGH	84.335 / 84.P335A010015		8,767	0
Teacher Quality Enhancement Grants		GGJ	84.336 / 84.84.336B		728,039	0
Learning Anytime Anywhere Partnerships		GGB	84.339		18,747	703
Learning Anytime Anywhere Partnerships		GFD	84.339 / 84.84.339B		45,518	65,094
Preparing Tomorrow's Teachers to Use Technology		GGB	84.342		209,816	121,908
Preparing Tomorrow's Teachers to Use Technology		GFD	84.342 / 84.84.342A		416,598	0
Preparing Tomorrow's Teachers to Use Technology		GGJ	84.342 / 84.84.342A		247,388	0
Preparing Tomorrow's Teachers to Use Technology		GHD	84.342 / 84.84.342A		297,359	0
Preparing Tomorrow's Teachers to Use Technology		GJA	84.342 / 84.84.342A		1,646,373	0
Preparing Tomorrow's Teachers to Use Technology		GJP	84.342 / 84.84.342A		412,517	0
Preparing Tomorrow's Teachers to Use Technology		GKA	84.342 / 84.84.342A		316,361	28,882
SUBTOTAL DIRECT FROM:					23,821,029	833,581
PASS-THROUGH PROGRAMS FROM:						
INDIANA UNIVERSITY						
Learning Anytime Anywhere Partnerships		GFD	84.339 / 84.P339B990108		9,848	0
NATIONAL ACADEMY OF EDUCATION						
Faculty Development Fellowship		GFB	84.271 / 84.NAE-OCG4252B		28,448	0
Scottsdale Community College						
Fund for the Improvement of Postsecondary Education		GHE	84.116 / 84.P116N010007		2,504	0
UNIVERSITY OF CALIFORNIA AT IRVINE						
Fund for the Improvement of Postsecondary Education		GFB	84.116 / 84.C01P116B011323D		10,453	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					51,253	0
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION					23,872,282	833,581

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
OFFICE OF ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION									
DIRECT FROM:									
OFFICE OF ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION									
	Rehabilitation Services: Vocational Rehabilitation Grants to States					IHA	84.126	25,331,093	657,296
	Rehabilitation Services: Service Projects					GGB	84.128	49,163	30,454
	Rehabilitation Services: Service Projects					IHA	84.128	104,788	0
	Rehabilitation Services: Service Projects					GHD	84.128 / 84.84.128J	92,701	0
	Rehabilitation Long-Term Training					GKA	84.129 / 84.84.129B	120,957	0
	Rehabilitation Long-Term Training					GKA	84.129 / 84.84.129F	95,364	0
	Independent Living: State Grants					IHA	84.169	(96,555)	345,697
	Supported Employment Services for Individuals with Severe Disabilities					IHA	84.187	523,423	0
	Assistive Technology					GFE	84.224 / 84.84.224A	481,358	15,582
	Rehabilitation Training: Continuing Education					GKA	84.264 / 84.84.264A	345,443	0
	Rehabilitation Training: State Vocational Rehabilitation Unit In-Service Training					IHA	84.265	35,143	0
								-----	-----
SUBTOTAL DIRECT FROM:								27,082,878	1,049,029
PASS-THROUGH PROGRAMS FROM:									
SYRACUSE UNIVERSITY									
	National Institute on Disability and Rehabilitation Research					GFE	84.133 / 84.S.U.#357-2328	12,307	0
								-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								12,307	0
								-----	-----
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION								27,095,185	1,049,029
OFFICE OF ASSISTANT SECRETARY FOR VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION									
DIRECT FROM:									
OFFICE OF ASSISTANT SECRETARY FOR VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION									
	Vocational Education: Basic Grants to States					GJA	84.048	14,555,626	0
								-----	-----
SUBTOTAL DIRECT FROM:								14,555,626	0
								-----	-----
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION								14,555,626	0
OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION									
DIRECT FROM:									
OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION									
	Immigrant Education					DAA	84.162	32,324	2,453,353
	Bilingual Education Support Services					DAA	84.194	72,289	0
	Bilingual Education: Professional Development					GJE	84.195	183,659	0
	Bilingual Education: Professional Development					GFB	84.195 / 84.84.195A	650,378	60,370
	Bilingual Education: Professional Development					GFD	84.195 / 84.84.195A	40,654	0
	Bilingual Education: Professional Development					GHB	84.195 / 84.84.195A	89,116	0
	Bilingual Education: Professional Development					GKA	84.195 / 84.84.195A	207,638	0
	Bilingual Education: Professional Development					GFD	84.195 / 84.84.195B	311,763	0
	Bilingual Education: Professional Development					GFB	84.195 / 84.84.195E	227,555	0
	Bilingual Education: Professional Development					GFD	84.195 / 84.84.195E	367,586	0
	Bilingual Education: Professional Development					GGH	84.195 / 84.84.195E	170,946	0
								-----	-----
SUBTOTAL DIRECT FROM:								2,353,908	2,513,723

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

PASS-THROUGH PROGRAMS FROM:

DENVER PUBLIC SCHOOLS

Bilingual Education Support Services

GFB 84.194 / 84.T29R000009

169.189

0

VANDERBILT UNIVERSITY

Bilingual Education

GFB 84.003 / 84.14299-S4

37.076

0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

206.265

0

SUBTOTAL OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION

2,560.173

2,513.723

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION

DIRECT FROM:

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION

Title I Grants to Local Educational Agencies

DAA 84.010

1,043.159

78,209.949

Migrant Education: State Grant Program

DAA 84.011

851.314

5,352.618

Title I Program for Neglected and Delinquent Children

DAA 84.013

0

398.607

Migrant Education: High School Equivalency Program

GFB 84.141 / 84.84.141A

849.505

59.178

Migrant Education: College Assistance Migrant Program

GHD 84.149 / 84.84.149A

366.873

0

Safe and Drug-Free Schools: State Grants

DAA 84.186

254.747

4,208.486

Safe and Drug-Free Schools: State Grants

FAA 84.186

100.993

70.923

Safe and Drug-Free Schools: State Grants

EAA 84.186 / 84.S1868000062

247.323

658.011

Safe and Drug-Free Schools: State Grants

EAA 84.186 / 84.S1868000062A

0

821.703

Education for Homeless Children and Youth

DAA 84.196

45.298

202.629

Even Start: State Educational Agencies

DAA 84.213

101.697

1,467.648

Even Start: Migrant Education

DAA 84.214

75.922

117.544

Capital Expenses

DAA 84.216

0

1,240

Goals 2000: State and Local Education Systemic Improvement Grants

DAA 84.276

464.610

1,578.200

Eisenhower Professional Development State Grants

DAA 84.281

298.448

3,602.560

Eisenhower Professional Development State Grants

GAA 84.281 / 84.84.281B

651.350

0

Charter Schools

DAA 84.282

305.442

6,356.228

Innovative Education Program Strategies

DAA 84.298

883.394

5,226.358

Even Start: Statewide Family Literacy Program

DAA 84.314

124.814

116.000

Technology Literacy Challenge Fund Grants

DAA 84.318

138.128

2,928.717

Comprehensive School Reform Demonstration

DAA 84.332

128.382

2,372.161

Class Size Reduction

DAA 84.340

0

19,905.976

Title I Accountability Grants

DAA 84.348

0

749.400

School Renovation Grants

DAA 84.352

12.939

19.018

SUBTOTAL DIRECT FROM:

6,944.338

134,423.154

PASS-THROUGH PROGRAMS FROM:

BENNETT SCHOOL DISTRICT 29J

Goals 2000: State and Local Education Systemic Improvement Grants

GFD 84.276 / 84.GOALS 2000 GRANT

15

0

DENVER PUBLIC SCHOOLS

Safe and Drug-Free Schools and Communities: National Programs

GFD 84.184 / 84.S184L990369

93.380

0

Denver Public Schools

Transition to Teaching

GHD 84.350 / 84.84.350A

804

0

Education Develop Ctr

Safe and Drug-Free Schools and Communities: National Programs

GKA 84.184 / 84.Mini Grant-Drug&Alcoh

7.515

0

Englewood CO Public Schools

Goals 2000: State and Local Education Systemic Improvement Grants

DAA 84.276 / 84.Tech Links

13.959

0

Iowa Dept of Education

Migrant Education: State Grant Program

DAA 84.011 / 84.Consortium

0

15.000

Maine Dept of Education

Migrant Education: State Grant Program

DAA 84.011 / 84.Consortium

0

32.000

Nevada Dept of Education

Migrant Education: State Grant Program

DAA 84.011 / 84.Consortium

0

32.000

New Mexico Dept of Education

Migrant Education: State Grant Program

DAA 84.011 / 84.Consortium

0

35.000

North Dakota Dept of Education

Migrant Education: State Grant Program

DAA 84.011 / 84.Consortium

0

17.000

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
Oklahoma Dept of Education					
Migrant Education: State Grant Program		DAA	84.011 / 84.Consortium	0	32,000
Pueblo Sch. Dist. 60					
Charter Schools		GGJ	84.282	156,496	0
Utah Dept of Education					
Migrant Education: State Grant Program		DAA	84.011 / 84.Consortium	0	34,000
Vermont Dept of Education					
Migrant Education: State Grant Program		DAA	84.011 / 84.Consortium	0	15,000
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				272,169	212,000
				-----	-----
SUBTOTAL OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION				7,216,507	134,635,154
				-----	-----
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION					
Special Education: Grants to States		DAA	84.027	5,342,974	67,126,738
Special Education: Grants to States		GJE	84.027	79,984	0
Special Education: Personnel Development and Parent Training		GFD	84.029	125,078	0
Special Education: Personnel Development and Parent Training		GFB	84.029 / 84.84.029A	312,374	98,297
Special Education: Personnel Development and Parent Training		GKA	84.029 / 84.84.029A	94,211	0
Special Education: Personnel Development and Parent Training		GKA	84.029 / 84.84.029D	5,794	0
Special Education: Personnel Development and Parent Training		GFD	84.029 / 84.84.029K	21,849	0
Special Education: Program for Severely Disabled Children		DAA	84.086	9,536	12,186
Special Education: Program for Severely Disabled Children		GFD	84.086 / 84.84.086U	90,442	0
Training Interpreters for Individuals who are Deaf and Individuals who are Deaf-Blind		GFB	84.160	246,198	0
Training Interpreters for Individuals who are Deaf and Individuals who are Deaf-Blind		GJE	84.160	436,958	0
Special Education: Preschool Grants		DAA	84.173	223,490	4,945,404
Rehabilitation Services: Independent Living Services for Older Individuals Who are Blind		IHA	84.177	(144,001)	359,759
Special Education: Grants for Infants and Families with Disabilities		DAA	84.181	632,448	5,079,737
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFE	84.324	154,707	37,007
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GGB	84.324	323,581	0
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFB	84.324 / 84.84.324A	111,829	0
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFE	84.324 / 84.84.324M	84,205	28,165
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFD	84.324 / 84.84.324R	64,215	0
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GFD	84.325	547,124	35,800
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GJE	84.325	140,418	0
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GFB	84.325 / 84.84.325A	253,483	33,236
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GFE	84.325 / 84.84.325A	6,179	0
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GKA	84.325 / 84.84.325D	189,065	0
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GHB	84.325 / 84.84.325E	192,878	0
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GFB	84.325 / 84.84.325H	146,103	0
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GFC	84.325 / 84.84.325H	224,202	0
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GKA	84.325 / 84.84.325H	95,273	700
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		DAA	84.326	179,520	30,000
				-----	-----
SUBTOTAL DIRECT FROM:				10,190,117	77,787,029
				-----	-----
PASS-THROUGH PROGRAMS FROM:					
Calif State Univ-Los Angeles					
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GKA	84.325 / 84.H325A010073	9,745	0
Institute for Rehab & Research					
Indepndnt Living Res Utilization Prog		GKA	84.UNKNOWN	151,924	0
UNIVERSITY OF MONTANA					
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFE	84.324 / 84.5901-01	5,489	0
UNIVERSITY OF NEW MEXICO					
Special Education: Personnel Development and Parent Training		GFB	84.029 / 84.3-37356-7802	1	0
UNIVERSITY OF VIRGINIA					
Special Education: Innovation and Development		GFB	84.023 / 84.5-34232	(2,648)	0
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GFB	84.326 / 84.GM10023-113078	12,122	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

University of Arizona Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GKA	84.324 / 84.H324C010142	14,827	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				191,460	0
SUBTOTAL OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION				10,381,577	77,787,029
OFFICE OF THE DIRECTOR FOR BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF THE DIRECTOR FOR BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION					
Bilingual Education: Program Enhancement Grants		GFB	84.289	(214)	0
Foreign Language Assistance		DAA	84.293	16,681	0
SUBTOTAL DIRECT FROM:				16,467	0
SUBTOTAL OFFICE OF THE DIRECTOR FOR BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION				16,467	0
OFFICE OF THE SECRETARY					
DIRECT FROM:					
OFFICE OF THE SECRETARY					
Library Research and Demonstrations		GGJ	84.039	66,681	0
Bilingual Vocational Training		GJG	84.077	18,176	0
SUBTOTAL DIRECT FROM:				84,857	0
SUBTOTAL OFFICE OF THE SECRETARY				84,857	0
OFFICE OF VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION					
Adult Education: State Grant Program		DAA	84.002	665,052	3,629,152
Vocational Education: National Centers for Career and Technical Education		GFD	84.051	426,512	444,468
Literacy Programs for Prisoners		CAA	84.255 / 84.84.255A	76,188	0
Grants to States for Incarcerated Youth Offenders		CAA	84.331 / 84.84.331A	104,444	0
SUBTOTAL DIRECT FROM:				1,272,196	4,073,620
PASS-THROUGH PROGRAMS FROM:					
Adams County					
School to Work Opportunities		GJD	84.278 / 84.V278D60048	19,579	0
Literacy Coalition		JAA	84.002 / 84.84.002A	74,881	0
Adult Education: State Grant Program					
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				94,460	0
SUBTOTAL OFFICE OF VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION				1,366,656	4,073,620
SUBTOTAL DEPARTMENT OF EDUCATION				90,000,955	223,986,004

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY							
MAJOR SUBDIVISION OF FEDERAL AGENCY							
SOURCE TYPE (DIRECT OR PASS-THROUGH)							
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>				DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA /	OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION							
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION							
DIRECT FROM:							
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION							
National Historical Publications and Records Grants		AMA	89.003 /	89.2002-016		399	0
SUBTOTAL DIRECT FROM:						399	0
SUBTOTAL NATIONAL ARCHIVES AND RECORDS ADMINISTRATION						399	0
SUBTOTAL NATIONAL ARCHIVES AND RECORDS ADMINISTRATION						399	0
-----							
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
ADMINISTRATION FOR CHILDREN AND FAMILIES, ADMINISTRATION ON CHILDREN, YOUTH AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
ADMINISTRATION FOR CHILDREN AND FAMILIES, ADMINISTRATION ON CHILDREN, YOUTH AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Promoting Safe and Stable Families		IHA	93.556			487,200	1,960,582
State Court Improvement Program		JAA	93.586 /	93.75-1-1512		64,841	0
SUBTOTAL DIRECT FROM:						552,041	1,960,582
SUBTOTAL ADMINISTRATION FOR CHILDREN AND FAMILIES, ADMINISTRATION ON CHILDREN, YOUTH AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES						552,041	1,960,582
ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Temporary Assistance for Needy Families (A) -		IHA	93.558			20,268,569	116,082,257
Low-Income Home Energy Assistance (LIHEAP)		IHA	93.568			970,242	24,500,038
Child Care and Development Block Grant (CCDBG)		IHA	93.575			37,856,191	16,017,444
Community-Based Family Resource and Support Grants		FAA	93.590			6,850	469,564
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (A) -		IHA	93.596			(11,745,373)	44,611,326
Grants to States for Access and Visitation Programs (B) -		JAA	93.597 /	93.75-X-1501		119,062	0
Head Start		GJH	93.600			4,711,342	0
Head Start		EAA	93.600 /	93.08CD0004/03		21,228	0
Head Start		EAA	93.600 /	93.08CD0004/04		91,872	50,000
Adoption Incentive Payments		IHA	93.603			304,776	460,854
Runaway and Homeless Youth		IHA	93.623			121,764	0
Developmental Disabilities Basic Support and Advocacy Grants		IHA	93.630			585,878	143,688
Developmental Disabilities Projects of National Significance		GFE	93.631			102,694	0
University Centers for Excellence in Developmental Disabilities Education, Research, and Service		GFE	93.632			326,879	0
Children's Justice Grants to States		IHA	93.643			119,158	86,700
Child Welfare Services: State Grants		IHA	93.645			0	3,871,201
Child Welfare Services Training Grants		GGB	93.648			46,766	0
Adoption Opportunities		IHA	93.652			263,169	24,300
Foster Care: Title IV-E		IHA	93.658			9,510,015	38,270,534
Adoption Assistance		IHA	93.659			1,982,634	15,556,439
Social Services Block Grant		IHA	93.667			132,950	35,859,285
Child Abuse and Neglect State Grants		IHA	93.669			266,548	(11,018)
Family Violence Prevention and Services/Grants for Battered Women's Shelters: Grants to States and Indian		IHA	93.671			1,220,394	0
Chafee Foster Care Independent Living		IHA	93.674			415,424	1,609,072
SUBTOTAL DIRECT FROM:						67,699,032	297,601,684

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
PASS-THROUGH PROGRAMS FROM:					
COLORADO OFFICE OF RESOURCE AND REFERRAL					
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (A) -		GJM	93.596	0	19.967
Jefferson Cty					
Temporary Assistance for Needy Families (A) -		GJL	93.558 / 93.31633	328.605	0
MOWD					
Temporary Assistance for Needy Families (A) -		GJD	93.558 / 93.10194	10.415	0
Temporary Assistance for Needy Families (A) -		GJD	93.558 / 93.10449	223.622	0
Temporary Assistance for Needy Families (A) -		GJD	93.558 / 93.21042	256.918	0
Child Care and Development Block Grant (CCDBG)		GJD	93.575 / 93.CE10269	13.761	0
Child Care and Development Block Grant (CCDBG)		GJD	93.575 / 93.CE20074	26.023	0
PENNSYLVANIA COMMISSION ON CRIME & DELINQUENCY					
Temporary Assistance for Needy Families (A) -		GFE	93.558 / 93.2001-TF-01-11635	104.455	0
STATE OF WYOMING					
Child Abuse and Neglect State Grants		GFE	93.669 / 93.PN0108-048	5.241	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				969.040	19.967
SUBTOTAL ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES				68.668.072	297.621.651
ADMINISTRATION ON AGING, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
ADMINISTRATION ON AGING, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Special Programs for the Aging: Title VII, Chapter 3: Programs for Prevention of Elder Abuse, Neglect, and		IHA	93.041	37.726	47.554
Special Programs for the Aging: Title VII, Chapter 2: Long Term Care Ombudsman Services for Older Individua		IHA	93.042	74.876	68.124
Special Programs for the Aging: Title III, Part D: Disease Prevention and Health Promotion Services		IHA	93.043	7.371	194.529
Special Programs for the Aging: Title III, Part B: Grants for Supportive Services and Senior Centers		IHA	93.044	831.289	4,412.142
Special Programs for the Aging: Title III, Part C: Nutrition Services		IHA	93.045	278.134	4,145.354
Special Programs for the Aging: Title IV: and Title II: Discretionary Projects		GFE	93.048	383.742	0
National Family Caregiver Support		IHA	93.052	88.142	156.260
Adm on Aging		SFA	93.UNKNOWN	177.298	0
SUBTOTAL DIRECT FROM:				1,878.578	9,023.963
SUBTOTAL ADMINISTRATION ON AGING, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES				1,878.578	9,023.963
AGENCY FOR HEALTH CARE POLICY AND RESEARCH, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
AGENCY FOR HEALTH CARE POLICY AND RESEARCH, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Research on Healthcare Costs, Quality and Outcomes		GFE	93.226	17.916	0
SUBTOTAL DIRECT FROM:				17.916	0
SUBTOTAL AGENCY FOR HEALTH CARE POLICY AND RESEARCH, DEPARTMENT OF HEALTH AND HUMAN SERVICES				17.916	0
AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Human Health Studies: Applied Research and Development		FAA	93.206	4.407	25.519
SUBTOTAL DIRECT FROM:				4.407	25.519
SUBTOTAL AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY, DEPARTMENT OF HEALTH AND HUMAN SERVICES				4.407	25.519

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY							
MAJOR SUBDIVISION OF FEDERAL AGENCY							
SOURCE TYPE (DIRECT OR PASS-THROUGH)							
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO	
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS	
BUREAU OF HEALTH PROFESSIONS, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
BUREAU OF HEALTH PROFESSIONS, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
National Research Services Awards		GFE	93.186		224.703	0	
					-----	-----	
SUBTOTAL DIRECT FROM:					224.703	0	
					-----	-----	
SUBTOTAL BUREAU OF HEALTH PROFESSIONS, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					224.703	0	
CENTER FOR SUBSTANCE ABUSE TREATMENT (CSAT), DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
CENTER FOR SUBSTANCE ABUSE TREATMENT (CSAT), DEPARTMENT OF HEALTH AND HUMAN SERVICES							
STATE TREATMENT NEEDS ASSESSMENT STUDIES: ALCOHOL AND OTHER DRUGS		IHM	93.UNKNOWN		58.027	222.310	
					-----	-----	
SUBTOTAL DIRECT FROM:					58.027	222.310	
PASS-THROUGH PROGRAMS FROM:							
SYNECTICS							
DASIS		IHM	93.270-98-706		52.555	0	
					-----	-----	
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					52.555	0	
					-----	-----	
SUBTOTAL CENTER FOR SUBSTANCE ABUSE TREATMENT (CSAT), DEPARTMENT OF HEALTH AND HUMAN SERVICES					110.582	222.310	
CENTERS FOR DISEASE CONTROL AND PREVENTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
CENTERS FOR DISEASE CONTROL AND PREVENTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
CDC 10th Anniversary Conference		FAA	93.0000263395		6.085	18.451	
National Death Index		FAA	93.0009630213		15.754	0	
Project Grants and Cooperative Agreements for Tuberculosis Control Programs		FAA	93.116		368.408	486.080	
Acquired Immunodeficiency Syndrome (AIDS) Activity		FAA	93.118		3,545.098	2,617,950	
Injury Prevention and Control Research and State and Community Based Programs		FAA	93.136		607.179	247.808	
Health Program for Toxic Substances and Disease Registry		FAA	93.161		189.131	0	
Childhood Lead Poisoning Prevention Projects: State and Local Childhood Lead Poisoning Prevention and Surve		FAA	93.197		189.922	2,000	
Occupational Safety and Health: Training Grants		GFE	93.263		4.234	0	
Immunization Grants		FAA	93.268		2,577.188	1,014.003	
Immunization Grants		FAA	93.268	*	0	11,811.282	
Centers for Disease Control and Prevention: Investigations and Technical Assistance		FAA	93.283		5,364.171	2,134.775	
Centers for Disease Control and Prevention: Investigations and Technical Assistance		GFE	93.283		248.760	107.688	
Addressing Asthma from a Public Health Perspective		FAA	93.293		155.985	16.250	
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs		FAA	93.919		1,226.661	2,827.949	
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Oth		DAA	93.938		177.998	161.482	
Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Viru		FAA	93.943		7.749	553.517	
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance		FAA	93.944		65.846	0	
Preventive Health Services: Sexually Transmitted Diseases Control Grants		FAA	93.977		845.801	317.575	
Preventive Health Services: Sexually Transmitted Diseases Research, Demonstrations, and Public		FAA	93.978		363.419	705.349	
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems		FAA	93.988		297.552	4.420	
Preventive Health and Health Services Block Grant		FAA	93.991		2,148.608	0	
Water Fluoridation Assistance Program		FAA	93.CCH817460-01		5	335	
State Cardiovascular Health Program		FAA	93.U50/CCU819129-01		346.659	45.980	
Cooperative Agreement - Arthritis		FAA	93.U58/CCU817148-01		31.181	0	
					-----	-----	
SUBTOTAL DIRECT FROM:					18,783.394	23,072.894	
PASS-THROUGH PROGRAMS FROM:							
Assoc Public Hlth Laboratories							
Centers for Disease Control and Prevention: Investigations and Technical Assistance		FAA	93.283 / 93.01-00225		19.999	0	
Assoc State/Terr Health Officials							
Centers for Disease Control and Prevention: Investigations and Technical Assistance		FAA	93.283 / 93.U50/CCU313903		690	49.300	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

Craig Hospital		FAA	93.184 / 93.R04/CCR81432-01	26.487	0
Disabilities Prevention					
State of New Mexico		FAA	93.283 / 93.R08/CCR620358-01	51.513	0
Centers for Disease Control and Prevention: Investigations and Technical Assistance					
State/Terr Epidemiologists		FAA	93.283 / 93.Cooperative Agreement	2.396	7.095
Centers for Disease Control and Prevention: Investigations and Technical Assistance		FAA	93.283 / 93.U60/CCU07277	82.435	0
Centers for Disease Control and Prevention: Investigations and Technical Assistance					
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				183.520	56.395
SUBTOTAL CENTERS FOR DISEASE CONTROL AND PREVENTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES				18,966.914	23,129.289
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Unclassified Grants and Contracts		EAA	93.000 / 93.IP090A000-01	498.086	0
CHILD WELFARE TRAINING: CSU ROCKY MOUNT		GGB	93.90CT0094/02	41.190	0
SUBTOTAL DIRECT FROM:				539.276	0
PASS-THROUGH PROGRAMS FROM:					
American Psychological Association					
COLORADO STATE UNIVERSITY OCCUPATI		GGB	93.1272602	22.623	0
City & County Denver					
County Stipends for Bilingual Students		GHD	93.GE01289 (1)	8.144	651
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				30.767	651
SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES				570.043	651
FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration: Research		FAA	93.103	257.843	0
Food and Drug Administration: Research		BAA	93.103 / 93.223-01-4033	3.164	0
Food and Drug Administration: Research		BAA	93.103 / 93.223-89-4033	3.853	0
SUBTOTAL DIRECT FROM:				264.860	0
SUBTOTAL FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES				264.860	0
HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
State Children's Insurance Program		UHA	93.767 / 93.CBHP981	25,266.515	1,061.655
Medicare: Supplementary Medical Insurance		FAA	93.774	3,569.533	201.721
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations		SFA	93.779	243.584	0
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations		UHA	93.779 / 93.10-P-914058-01	10.667	0
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations		UHA	93.779 / 93.18P91651801	82.471	0
SUBTOTAL DIRECT FROM:				29,172.770	1,263.376
SUBTOTAL HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES				29,172.770	1,263.376

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Model State-Supported Area Health Education Centers		GFE	93.107	190,002	318,406
Maternal and Child Health Federal Consolidated Programs		FAA	93.110	257,274	77,429
Maternal and Child Health Federal Consolidated Programs		GFE	93.110	1,042,509	27,751
Maternal and Child Health Federal Consolidated Programs		GFE	93.110 / 93.93.110A	(1,497)	0
Maternal and Child Health Federal Consolidated Programs		GFE	93.110 / 93.93.110B	302,047	285,855
Grants for Preventive Medicine		GFE	93.117	16,447	0
Emergency Medical Services for Children		FAA	93.127	70,074	83,411
Primary Care Services: Resource Coordination and Development		FAA	93.130	94,257	85,466
Financial Assistance for Disadvantaged Health Professions Students		GFE	93.139	17,397	0
AIDS Education and Training Centers		GFE	93.145	644,384	496,196
Centers of Excellence		GFE	93.157	131,791	0
Grants for State Loan Repayment		GFE	93.165	0	25,546
Quentin N. Burdick Programs for Rural Interdisciplinary Training		GFE	93.192	493	0
Traumatic Brain Injury: State Demonstration Grant Program		IIA	93.234 / 93.93.234B	43,845	103,920
Abstinence Education		FAA	93.235	62,980	736,621
State Rural Hospital Flexibility Program		FAA	93.241	72,485	416,109
Health Centers Grants for Migrant and Seasonal Farmworkers		FAA	93.246	(118)	0
Universal Newborn Hearing Screening		GFB	93.251	117,957	0
Nurse Practitioner and Nurse-Midwifery Education Programs		GFE	93.298	(12)	0
Advanced Education Nursing Traineeships		GFC	93.358	251	0
Advanced Education Nursing Traineeships		GFE	93.358	164,370	0
Advanced Education Nursing Traineeships		GKA	93.358	38,034	0
Basic Nurse Education and Practice Grants		GFE	93.359	464,636	72,002
Grants for Graduate Training in Family Medicine		GFB	93.379	(6,750)	0
Grants for Residency Training in General Internal Medicine and/or General Pediatrics		GFE	93.884	106,652	31,476
Physician Assistant Training in Primary Care		GFE	93.886	128,806	0
Health Care and Other Facilities		GFE	93.887	9,645,455	0
Health Care and Other Facilities		GKA	93.887 / 93.1 C76 HF 00099-01	152,669	0
Grants for Faculty Development in Family Medicine		GFE	93.895	271,647	108,308
Predoctoral Training in Primary Care (Family Medicine, General Internal Medicine/General Pediatrics)		GFE	93.896	280,775	0
Residencies and Advanced Education in the Practice of General Dentistry		GFE	93.897	179,349	30,543
Rural Health Medical Education Demonstration Projects		GGJ	93.906	53,139	0
Rural Health Medical Education Demonstration Projects		GHD	93.906	76,392	0
HIV Care Formula Grants		FAA	93.917	467,543	6,457,845
Scholarships for Health Professions Students from Disadvantaged Backgrounds		GFE	93.925	224,241	0
Scholarships for Health Professions Students from Disadvantaged Backgrounds		GGB	93.925	129,120	0
Healthy Start Initiative		FAA	93.926	39,405	0
Health Administration Traineeships and Special Projects Program		GFD	93.962	37,606	0
Public Health Traineeships		GFE	93.964	10,004	0
Academic Administrative Units In Primary Care		GFE	93.984	211,758	27,137
Maternal and Child Health Services Block Grant to the States		FAA	93.994	3,084,523	4,860,260
				-----	-----
SUBTOTAL DIRECT FROM:				18,821,940	14,244,281

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY							
MAJOR SUBDIVISION OF FEDERAL AGENCY							
SOURCE TYPE (DIRECT OR PASS-THROUGH)							
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO	
PROGRAM NAME	INDICATOR	AGENCY	CFDA /	OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS	
PASS-THROUGH PROGRAMS FROM:							
AMERICAN ACADEMY OF PEDIATRICS							
Maternal and Child Health Federal Consolidated Programs		GFE	93.110 /	93.AAOP 1 MCU-17MHS1	9.107	0	
City & County of Denver		FAA	93.5H89HA	00027-06	861.666	0	
Ryan White Title I							
UNIVERSITY OF ARIZONA							
Maternal and Child Health Federal Consolidated Programs		GFE	93.110 /	93.V970600	5.402	0	
UNIVERSITY OF CALIFORNIA AT SAN FRANCISCO							
AIDS Education and Training Centers		GFE	93.145 /	93.HA 00038-01 1 H4A	25.434	0	
UNIVERSITY OF UTAH							
Maternal and Child Health Federal Consolidated Programs		GFE	93.110 /	93.2105057-05	3.657	0	
					-----	-----	
SUBTOTAL PASS-THROUGH PROGRAMS FROM:							
					905.266	0	
					-----	-----	
SUBTOTAL HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
					19,727,206	14,244,281	
NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS, NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS, NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Research Related to Deafness and Communication Disorders		GFE	93.173		52.718	0	
					-----	-----	
SUBTOTAL DIRECT FROM:							
					52.718	0	
					-----	-----	
SUBTOTAL NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS, NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
					52.718	0	
NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Research and Training in Complementary and Alternative Medicine		GFB	93.213		22.389	0	
Alcohol National Research Service Awards for Research Training		GFB	93.272		69.118	0	
Alcohol National Research Service Awards for Research Training		GFE	93.272		292.354	0	
Drug Abuse National Research Service Awards for Research Training		GFB	93.278		37.569	0	
Drug Abuse National Research Service Awards for Research Training		GFE	93.278		34.730	0	
Mental Health Research Career/Scientist Development Awards		GFB	93.281		30.457	0	
Mental Health National Research Service Awards for Research Training		GFB	93.282		222.863	0	
Mental Health National Research Service Awards for Research Training		GFE	93.282		457.963	0	
Mental Health National Research Service Awards for Research Training		GGB	93.282		19.315	0	
Nursing Research		GFE	93.361		84.264	0	
Biomedical Technology		GFE	93.371		55.029	0	
Minority Biomedical Research Support		GGJ	93.375		204.571	0	
Cancer Research Manpower		GFE	93.398		510.407	5.900	
Cancer Control		FAA	93.399		61.325	0	
Cell Biology and Biophysics Research		GFB	93.821		262.474	0	
Cell Biology and Biophysics Research		GFE	93.821		99.851	0	
Heart and Vascular Diseases Research		GFB	93.837		225.101	0	
Heart and Vascular Diseases Research		GFE	93.837		35.027	194.746	
Lung Diseases Research		GFB	93.838		17.479	0	
Lung Diseases Research		GFE	93.838		1,159.204	0	
Arthritis, Musculoskeletal and Skin Diseases Research		GFE	93.846		141.091	0	
Diabetes, Endocrinology and Metabolism Research		GFE	93.847		383.804	0	
Diabetes, Endocrinology and Metabolism Research		GGB	93.847		9.159	0	
Digestive Diseases and Nutrition Research		GFE	93.848		440.758	0	
Kidney Diseases, Urology and Hematology Research		GFE	93.849		155.285	0	
Biological Basis Research in the Neurosciences		GFE	93.854		271.600	0	
Allergy, Immunology and Transplantation Research		GFB	93.855		27.291	0	
Allergy, Immunology and Transplantation Research		GFE	93.855		383.519	0	
Microbiology and Infectious Diseases Research		GFE	93.856		278.019	0	
Pharmacology, Physiology, and Biological Chemistry Research		GFB	93.859		109.095	0	
Pharmacology, Physiology, and Biological Chemistry Research		GFE	93.859		838.776	0	
Genetics and Developmental Biology Research and Research Training		GFB	93.862		618.173	0	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
Genetics and Developmental Biology Research and Research Training		GFE	93.862		96,849	0
Population Research		GFD	93.864		413	0
Population Research		GFE	93.864		19,840	0
Population Research		GGB	93.864		42,028	0
Center for Research for Mothers and Children		GFB	93.865		189,043	0
Center for Research for Mothers and Children		GFE	93.865		276,312	0
Center for Research for Mothers and Children		GGB	93.865		(1,500)	0
Aging Research		GFB	93.866		79,933	0
Aging Research		GFE	93.866		174,440	0
Medical Library Assistance		GFE	93.879		44,139	0
Minority Access to Research Careers		GFE	93.880		29,936	0
Resource and Manpower Development in the Environmental Health Sciences		GFE	93.894		43,892	0
Special Minority Initiatives		GGJ	93.960		152,188	0
					-----	-----
SUBTOTAL DIRECT FROM:					8,705,573	200,646
PASS-THROUGH PROGRAMS FROM:						
AMC Cancer Research Center						
Cancer Control		FAA	93.399 / 93.#753-9305		125,838	0
Cancer Control		FAA	93.399 / 93.PPG-YA1-AMC		21,550	0
NATIONAL MIDDLE SCHOOL ASSOCIATION						
Cancer Research Manpower		GFE	93.398 / 93.PN: 0204-124		15,325	0
ROCJY MOUNTAIN SERVICE, JP, INC.						
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.PN0109-048		1,336	0
Southern Research Institute						
NIH-Natl Institute on Drug Abuse		GKA	93.2 R01DA08883-04A1		12,980	0
UNIV OF CALIF						
Mental Health Research Grants		IIA	93.242		18,211	0
UNIV OF WASH						
Drug Abuse Research Programs		IHM	93.279 / 93.596873		59,969	5,283
UNIVERSITY OF UTAH						
Medical Library Assistance		GFE	93.879 / 93.N01-LM-1-3514		60,907	0
UNIVERSITY OF WASHINGTON						
Cancer Research Manpower		GFE	93.398 / 93.UWASH #486573		11,821	0
University of Arizona						
Drug Abuse Research Programs		GKA	93.279 / 93.5 P01 DAP6284-09		36,507	0
YALE UNIVERSITY						
Center for Research for Mothers and Children		GFE	93.865 / 93.5 K12 HD00850-16		104,049	0
					-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					468,493	5,283
					-----	-----
SUBTOTAL NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES					9,174,066	205,929
OFFICE OF CHILD SUPPORT ENFORCEMENT, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
DIRECT FROM:						
OFFICE OF CHILD SUPPORT ENFORCEMENT, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Child Support Enforcement		IHA	93.563		12,650,674	35,106,406
					-----	-----
SUBTOTAL DIRECT FROM:					12,650,674	35,106,406
					-----	-----
SUBTOTAL OFFICE OF CHILD SUPPORT ENFORCEMENT, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES					12,650,674	35,106,406
OFFICE OF COMMUNITY SERVICES, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
DIRECT FROM:						
OFFICE OF COMMUNITY SERVICES, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Community Services Block Grant (CSBG)		NAA	93.569		350,401	4,665,641
Community Services Block Grant Discretionary Awards: Community Food and Nutrition		NAA	93.571		0	46,613
Empowerment Zones Program		IHA	93.585		0	241,695
					-----	-----
SUBTOTAL DIRECT FROM:					350,401	4,953,949

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY							
MAJOR SUBDIVISION OF FEDERAL AGENCY							
SOURCE TYPE (DIRECT OR PASS-THROUGH)							
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO	
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS	
PASS-THROUGH PROGRAMS FROM:							
National Youth Sports Prog							
Community Services Block Grant: Discretionary Awards		GKA	93.570 / 93.NCAA 98-502		64,831	0	
					-----	-----	
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					64,831	0	
					-----	-----	
SUBTOTAL OFFICE OF COMMUNITY SERVICES, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES					415,232	4,953,949	
OFFICE OF DISEASE PREVENTION AND HEALTH PROMOTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
OFFICE OF DISEASE PREVENTION AND HEALTH PROMOTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Cooperative Health System		FAA	93.96-7205		249,846	0	
					-----	-----	
SUBTOTAL DIRECT FROM:					249,846	0	
					-----	-----	
SUBTOTAL OFFICE OF DISEASE PREVENTION AND HEALTH PROMOTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					249,846	0	
OFFICE OF MINORITY HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
OFFICE OF MINORITY HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Cooperative Agreements to Improve the Health Status of Minority Populations		GGJ	93.004		1,429	0	
					-----	-----	
SUBTOTAL DIRECT FROM:					1,429	0	
					-----	-----	
SUBTOTAL OFFICE OF MINORITY HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES					1,429	0	
OFFICE OF POLICY AND EVALUATION, ADMINISTRATION FOR CHILDREN AND FAMILIES DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
OFFICE OF POLICY AND EVALUATION, ADMINISTRATION FOR CHILDREN AND FAMILIES DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Social Services Research and Demonstration		GFB	93.647		53,388	0	
					-----	-----	
SUBTOTAL DIRECT FROM:					53,388	0	
					-----	-----	
SUBTOTAL OFFICE OF POLICY AND EVALUATION, ADMINISTRATION FOR CHILDREN AND FAMILIES DEPARTMENT OF HEALTH AND HUMAN SERVICES					53,388	0	
OFFICE OF PUBLIC HEALTH AND SCIENCE, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
OFFICE OF PUBLIC HEALTH AND SCIENCE, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Family Planning: Services		FAA	93.217		754,363	2,862,406	
					-----	-----	
SUBTOTAL DIRECT FROM:					754,363	2,862,406	
					-----	-----	
PASS-THROUGH PROGRAMS FROM:							
ARKANSAS DEPARTMENT OF HEALTH							
Family Planning: Services		GFE	93.217 / 93.AR 0019710		(7,767)	0	
STATE OF LOUISIANA, OFFICE OF PUBLIC HEALTH							
Family Planning: Services		GFE	93.217 / 93.LADHH 9906-184		7,881	0	
					-----	-----	
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					114	0	
					-----	-----	
SUBTOTAL OFFICE OF PUBLIC HEALTH AND SCIENCE, DEPARTMENT OF HEALTH AND HUMAN SERVICES					754,477	2,862,406	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME					
OFFICE OF REFUGEE RESETTLEMENT, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
OFFICE OF REFUGEE RESETTLEMENT, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Refugee and Entrant Assistance: State Administered Programs		IHA	93.566	889.182	1,427.078
Refugee and Entrant Assistance: Discretionary Grants		DAA	93.576	52.605	455.602
Refugee and Entrant Assistance: Discretionary Grants		FAA	93.576	44.324	97.728
Refugee and Entrant Assistance: Discretionary Grants		IHA	93.576	1,114.954	12.599
Refugee and Entrant Assistance: Wilson/Fish Programs		IHA	93.583	1,418.813	382.050
Refugee and Entrant Assistance: Targeted Assistance		IHA	93.584	384.887	0
SUBTOTAL DIRECT FROM:				3,904.765	2,375.057
SUBTOTAL OFFICE OF REFUGEE RESETTLEMENT, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES				3,904.765	2,375.057
OFFICE OF RURAL HEALTH POLICY, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
OFFICE OF RURAL HEALTH POLICY, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Rural Health Outreach and Rural Network Development Program		GFE	93.912	110.877	0
SUBTOTAL DIRECT FROM:				110.877	0
SUBTOTAL OFFICE OF RURAL HEALTH POLICY, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES				110.877	0
OFFICE OF THE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
OFFICE OF THE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Policy Research and Evaluation Grants		IHA	93.239	49	16.306
SUBTOTAL DIRECT FROM:				49	16.306
PASS-THROUGH PROGRAMS FROM:					
Northwestern University					
Policy Research and Evaluation Grants		GKA	93.239 / 93.96ASPE284A	8.698	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				8.698	0
SUBTOTAL OFFICE OF THE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES				8.747	16.306
OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Public Health and Social Services Emergency Fund		FAA	93.003	43.859	0
SUBTOTAL DIRECT FROM:				43.859	0
SUBTOTAL OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES				43.859	0
PUBLIC HEALTH SERVICE					
DIRECT FROM:					
PUBLIC HEALTH SERVICE					
Grants for Technical Assistance Activities Related to the Block Grant for Community Mental Health Services		IIA	93.119	89.013	0
Vital Statistics PO		FAA	93.DSR95B0055	6.218	0
SUBTOTAL DIRECT FROM:				95.231	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

PASS-THROUGH PROGRAMS FROM: ADVOCATES FOR HUMAN POTENTIAL OLMSTEAD		IIA	93.280990200	7,469	12,000
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				7,469	12,000
SUBTOTAL PUBLIC HEALTH SERVICE				102,700	12,000
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)		IIA	93.104	350,502	946,586
Projects for Assistance in Transition from Homelessness (PATH)		IIA	93.150	2,410	467,938
Demonstration Cooperative Agreements for Development and Implementation of Criminal Justice Treatment Netwo		IHM	93.229	10,427	94,129
Consolidated Knowledge Development and Application (KD&A) Program		FAA	93.230	92,714	67,620
Consolidated Knowledge Development and Application (KD&A) Program		IHM	93.230	130,704	3,034,982
Consolidated Knowledge Development and Application (KD&A) Program		IIA	93.230	23,037	0
Cooperative Agreements for State Treatment Outcomes and Performance Pilot Studies Enhancement		FAA	93.238	102,942	0
Block Grants for Community Mental Health Services		IIA	93.958	501,253	4,592,305
Block Grants for Prevention and Treatment of Substance Abuse		IHM	93.959	1,639,544	19,941,320
SUBTOTAL DIRECT FROM:				2,853,533	29,144,880
PASS-THROUGH PROGRAMS FROM:					
SIGNAL BEHAVIORAL HEALTH NETWORK					
Block Grants for Prevention and Treatment of Substance Abuse		GFE	93.959 / 93.PN0205-020	2,740	0
Block Grants for Prevention and Treatment of Substance Abuse		GFE	93.959 / 93.SIGNAL SSPA2-99	1,839,066	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,841,806	0
SUBTOTAL SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES				4,695,339	29,144,880
SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES				172,376,209	422,168,555
-----					
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE					
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE					
DIRECT FROM:					
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE					
Retired and Senior Volunteer Program		GKA	94.002	65,248	0
Learn and Serve America: School and Community Based Programs		DAA	94.004	134,802	712,006
Learn and Serve America: Higher Education		GGB	94.005	129,538	0
AmeriCorps		GJA	94.006	2,622,321	0
SUBTOTAL DIRECT FROM:				2,951,909	712,006

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
PASS-THROUGH PROGRAMS FROM:					
CNS/SJMA					
Learn and Serve America: School and Community Based Programs		GGH	94.004 / 94.95-2720-0-1-506	6.696	0
Educational Services, Inc					
Learn and Serve America: School and Community Based Programs		DAA	94.004 / 94.Leader Schools	1.500	0
UNIVERSITY OF DENVER					
Learn and Serve America: School and Community Based Programs		GFD	94.004 / 94.97LHSC0002	2.137	0
Learn and Serve America: Higher Education		GFD	94.005 / 94.RESEARCH GRANT PROJ	4.000	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				14.333	0
SUBTOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				2.966.242	712.006
SUBTOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				2.966.242	712.006
-----					
SOCIAL SECURITY ADMINISTRATION					
SOCIAL SECURITY ADMINISTRATION					
DIRECT FROM:					
SOCIAL SECURITY ADMINISTRATION					
Social Security: Disability Insurance		IHA	96.001	15,369.915	0
Social Security: Research and Demonstration		FAA	96.007	145.669	0
				-----	-----
SUBTOTAL DIRECT FROM:				15,515.584	0
SUBTOTAL SOCIAL SECURITY ADMINISTRATION				15,515.584	0
SUBTOTAL SOCIAL SECURITY ADMINISTRATION				15,515.584	0
-----					
FEDERAL AGENCIES NOT USING CFDA NUMBERS					
CONSUMER PRODUCT SAFETY COMMISSION					
DIRECT FROM:					
CONSUMER PRODUCT SAFETY COMMISSION					
Consumer Product Safety		FAA	99.S01474205	4.340	0
				-----	-----
SUBTOTAL DIRECT FROM:				4.340	0
SUBTOTAL CONSUMER PRODUCT SAFETY COMMISSION				4.340	0
STATE JUSTICE INSTITUTE					
DIRECT FROM:					
STATE JUSTICE INSTITUTE					
Education Guidance		JAA	99.SJI-01-N-119	9.947	0
Education Symposium		JAA	99.SJI-02-E-003	19.628	0
				-----	-----
SUBTOTAL DIRECT FROM:				29.575	0
SUBTOTAL STATE JUSTICE INSTITUTE				29.575	0
SUBTOTAL FEDERAL AGENCIES NOT USING CFDA NUMBERS				33.915	0
SUBTOTAL A-UNCLUSTERED PROGRAMS				1,370,388.935	855,694.282

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
CDBG - CLUSTER									
*****									
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
PASS-THROUGH PROGRAMS FROM:									
Jefferson Cty									
Community Development Block Grants/Entitlement Grants									
					GJL		14.218 / 14.39302	13,929	0
								-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								13,929	0
								-----	-----
SUBTOTAL COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								13,929	0
								-----	-----
SUBTOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								13,929	0
								-----	-----
SUBTOTAL CDBG - CLUSTER								13,929	0
								-----	-----

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
FOOD STAMP PROGRAM - CLUSTER									
*****									
DEPARTMENT OF AGRICULTURE									
FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE									
DIRECT FROM:									
FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE									
Food Stamps									
State Administrative Matching Grants for Food Stamp Program									
					*	IHA	10.551	0	157,986.603
						IHA	10.561	5,244,859	17,243.405
								-----	-----
SUBTOTAL DIRECT FROM:								5,244,859	175,230.008
								-----	-----
SUBTOTAL FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE								5,244,859	175,230.008
								-----	-----
SUBTOTAL DEPARTMENT OF AGRICULTURE								5,244,859	175,230.008
								-----	-----
SUBTOTAL FOOD STAMP PROGRAM - CLUSTER								5,244,859	175,230.008
								-----	-----

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
HIV - CLUSTER									
*****									
DEPARTMENT OF HEALTH AND HUMAN SERVICES									
BUREAU OF HEALTH RESOURCES DEVELOPMENT, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES									
PASS-THROUGH PROGRAMS FROM:									
PITON FOUNDATION									
	HIV Emergency Relief Project Grants				GFE		93.914 / 93.PN0012-115	38,731	0
	HIV Emergency Relief Project Grants				GFE		93.914 / 93.PN0108-094	11,535	0
	HIV Emergency Relief Project Grants				GFE		93.914 / 93.PN9912-070	8,102	0
								-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								58,368	0
								-----	-----
SUBTOTAL BUREAU OF HEALTH RESOURCES DEVELOPMENT, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES								58,368	0
								-----	-----
SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES								58,368	0
								-----	-----
SUBTOTAL HIV - CLUSTER								58,368	0
								-----	-----

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY				NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY				INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)								
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)								
PROGRAM NAME								
MEDICAID - CLUSTER								
*****								
DEPARTMENT OF HEALTH AND HUMAN SERVICES								
HEALTH STANDARDS AND QUALITY BUREAU, HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES								
DIRECT FROM:								
HEALTH STANDARDS AND QUALITY BUREAU, HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES								
State Survey and Certification of Health Care Providers and Suppliers								
				UHA	93.777 / 93.M0005C05001		50,582.072	3,120.748
State Survey and Certification of Health Care Providers and Suppliers								
				UHA	93.777 / 93.M0005C05048		1,179,814,253	0
SUBTOTAL DIRECT FROM:							-----	-----
							1,230,396,325	3,120.748
SUBTOTAL HEALTH STANDARDS AND QUALITY BUREAU, HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							-----	-----
							1,230,396,325	3,120.748
OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES								
DIRECT FROM:								
OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES								
State Medicaid Fraud Control Units								
				LAA	93.775		735,724	0
SUBTOTAL DIRECT FROM:							-----	-----
							735,724	0
SUBTOTAL OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES							-----	-----
							735,724	0
SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES							-----	-----
							1,231,132,049	3,120.748
SUBTOTAL MEDICAID - CLUSTER							-----	-----
							1,231,132,049	3,120.748

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
NUTRITION - CLUSTER									
*****									
DEPARTMENT OF AGRICULTURE									
FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE									
DIRECT FROM:									
FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE									
School Breakfast Program									
						DAA	10.553	0	9,747.579
						DAA	10.555	0	54,722.531
					*	IHA	10.555	14,995.998	0
						DAA	10.556	0	49,801
						FAA	10.558	1,005.075	21,445.731
					*	IHA	10.558	127,345	0
						DAA	10.559	54,689	1,018.069
					*	IHA	10.559	912	0
SUBTOTAL DIRECT FROM:								-----	-----
								16,184.019	86,983.711
SUBTOTAL FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE								-----	-----
								16,184.019	86,983.711
SUBTOTAL DEPARTMENT OF AGRICULTURE								-----	-----
								16,184.019	86,983.711
SUBTOTAL NUTRITION - CLUSTER								-----	-----
								16,184.019	86,983.711

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT - CLUSTER									
*****									
DEPARTMENT OF ENERGY									
PASS-THROUGH PROGRAMS FROM:									
PENNSTATE									
Sub-Recipient Grants and Contracts					GLA		81.SUB / .DE-FC26-00NT41025	124,744	0
								-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								124,744	0
								-----	-----
SUBTOTAL DEPARTMENT OF ENERGY								124,744	0
								-----	-----
SUBTOTAL								124,744	0
-----									
DEPARTMENT OF AGRICULTURE									
AGRICULTURAL MARKETING SERVICE, DEPARTMENT OF AGRICULTURE									
DIRECT FROM:									
AGRICULTURAL MARKETING SERVICE, DEPARTMENT OF AGRICULTURE R&D					GGB		10.12-25-A-3930	62,800	0
								-----	-----
SUBTOTAL DIRECT FROM:								62,800	0
								-----	-----
SUBTOTAL AGRICULTURAL MARKETING SERVICE, DEPARTMENT OF AGRICULTURE								62,800	0
AGRICULTURAL RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE									
DIRECT FROM:									
AGRICULTURAL RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE									
Agricultural Research: Basic and Applied Research					GFD		10.001	39,136	0
Agricultural Research: Basic and Applied Research					GFE		10.001	(6,253)	0
Agricultural Research: Basic and Applied Research					GGB		10.001	1,009,875	0
Agricultural Research: Basic and Applied Research R&D					GGB		10.T-2-5402-204 AMD 2	27,586	0
								-----	-----
SUBTOTAL DIRECT FROM:								1,070,344	0
								-----	-----
SUBTOTAL AGRICULTURAL RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE								1,070,344	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
ANIMAL AND PLANT HEALTH INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE					
DIRECT FROM:					
ANIMAL AND PLANT HEALTH INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE					
R&D		GGB	10.01-7401-0401(CA)	9,658	0
R&D		GGB	10.01-9208-0054-CA	8,332	0
R&D		GGB	10.01-9208-0058-CA	24,180	0
R&D		GGB	10.01-9208-0063-CA	22,888	0
R&D		GGB	10.01-9208-0064-CA	72,089	0
R&D		GGB	10.02-8564-0013-CA	4,491	0
Plant and Animal Disease, Pest Control, and Animal Care		GGB	10.025	479,946	0
Wildlife Services		GGB	10.028	14,295	0
				635,879	0
SUBTOTAL DIRECT FROM:					
				635,879	0
SUBTOTAL ANIMAL AND PLANT HEALTH INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE					
				635,879	0
COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE, DEPARTMENT OF AGRICULTURE					
DIRECT FROM:					
COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE, DEPARTMENT OF AGRICULTURE					
Grants for Agricultural Research, Special Research Grants		GGB	10.200	1,798,675	411,642
Cooperative Forestry Research		GGB	10.202	299,534	0
Payments to Agricultural Experiment Stations Under the Hatch Act		GGB	10.203	2,424,409	0
Grants for Agricultural Research: Competitive Research Grants		GFB	10.206	310,356	0
Grants for Agricultural Research: Competitive Research Grants		GFE	10.206	56,599	2,326
Grants for Agricultural Research: Competitive Research Grants		GGB	10.206	1,024,339	163,267
Grants for Agricultural Research: Competitive Research Grants		GLA	10.206 / 10.2001-35107-10052	58,396	0
Grants for Agricultural Research: Competitive Research Grants		GLA	10.206 / 10.2001-35504-10177	48,076	0
Grants for Agricultural Research: Competitive Research Grants		GKA	10.206 / 10.CSREES 2002-35402-116	20,233	0
Animal Health and Disease Research		GGB	10.207	123,981	0
Food and Agricultural Sciences National Needs Graduate Fellowship Grants		GGB	10.210	68,018	0
Higher Education Challenge Grants		GGB	10.217	14,624	2,704
Initiative for Future Agriculture and Food Systems		GGB	10.302	620,292	299,376
Integrated Programs		GGB	10.303	323,103	256,446
Cooperative Extension Service		GGB	10.500	10,199	0
R&D		GGB	10.90-CSA-C01-107	5,819	0
R&D		GLA	10.97-35107-4412	82	0
				7,206,735	1,135,761
SUBTOTAL DIRECT FROM:					
PASS-THROUGH PROGRAMS FROM:					
Kansas State University					
Grants for Agricultural Research, Special Research Grants		GGB	10.200 / 10.S00003	10,630	0
North Carolina State University					
Cooperative Extension Service		GGB	10.500 / 10.99-0465-03	1,906	0
Ohio State University					
Grants for Agricultural Research, Special Research Grants		GGB	10.200 / 10.559400A006	4,703	0
Grants for Agricultural Research: Competitive Research Grants		GGB	10.206 / 10.738704; PO 00919237	14,296	0
Grants for Agricultural Research: Competitive Research Grants		GGB	10.206 / 10.PO 832786 (PRJ #73821	24,842	0
UNIVERSITY OF NEVADA, RENO					
Initiative for Future Agriculture and Food Systems		GFE	10.302 / 10.PO 12831321	50,624	0
University of California at Davis					
Integrated Programs		GGB	10.303 / 10.00RA2416-C0	90,560	0
University of Missouri					
Fund for Rural America: Research, Education, and Extension Activities		GGB	10.224 / 10.C-5-36454	33,593	0
University of Vermont					
Grants for Agricultural Research, Special Research Grants		GGB	10.200 / 10.99-38841-7637	3,000	0
University of Wyoming					
Grants for Agricultural Research, Special Research Grants		GGB	10.200 / 10.UTSTUNW9055::9055SUBC	15,280	0
Utah State					
Grants for Agricultural Research, Special Research Grants		GGB	10.200 / 10.C019210 AMD 3	1,000	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
Utah State University					
Cooperative Extension Service		GGB	10.500 / 10.C020351	2.804	0
Cooperative Extension Service		GGB	10.500 / 10.C026100	1.085	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				254.323	0
				-----	-----
SUBTOTAL COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE, DEPARTMENT OF AGRICULTURE				7.461.058	1.135.761
DEPARTMENT OF AGRICULTURE					
DIRECT FROM:					
DEPARTMENT OF AGRICULTURE					
R&D		GGB	10.00-35200-9114	58.990	0
R&D		GGB	10.00-CR-11221611-003	152.198	0
R&D		GGB	10.00-CS-11020000-081	9.162	0
R&D		GGB	10.00-CS-11021200-56	232	0
R&D		GGB	10.00-JV-11221611-186	20.504	0
R&D		GGB	10.00-JV-11231300-053	27.329	0
R&D		GGB	10.01-9101-0620-CA	71.947	0
R&D		GGB	10.01-CS-11021300-051 MOD 1	49.128	0
R&D		GGB	10.01-CS-11221611-178	25.569	0
R&D		GGB	10.02-CS-11020700-026	4.642	0
R&D		GGB	10.58-1940-0-012	10.088	0
R&D		GGB	10.68-6526-1-503	47.061	0
R&D		GGB	10.68-7482-0-591Y	43.685	0
R&D		GGB	10.68-7482-1-789X	82.418	0
R&D		GGB	10.68-8805-01-05	7.047	0
R&D		GGB	10.68-8805-1	8.131	0
R&D		GGB	10.68-8805-1-04	9.622	0
R&D		GGB	10.RBS-00-11	21.586	0
				-----	-----
SUBTOTAL DIRECT FROM:				649.339	0
PASS-THROUGH PROGRAMS FROM:					
American Distance Educ Consortium (ADEC)					
R&D		GGB	10.NO: 3.5/00	2.196	0
Northwestern Colorado Council of Govts.					
R&D		GGB	10.NW COLORADO COUNCIL OF G	3.082	0
University of California					
R&D		GGB	10.9102-ETX AMD 15	7.212	0
University of California at Davis					
R&D		GGB	10.00-01650X	1.703	0
R&D		GGB	10.00-01758X	3.740	0
Washington State University					
R&D		GGB	10.G0001142	19.819	0
R&D		GGB	10.G0001143	17.345	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				55.097	0
				-----	-----
SUBTOTAL DEPARTMENT OF AGRICULTURE				704.436	0
FOREIGN AGRICULTURAL SERVICE, DEPARTMENT OF AGRICULTURE					
DIRECT FROM:					
FOREIGN AGRICULTURAL SERVICE, DEPARTMENT OF AGRICULTURE					
Scientific Cooperation and Research		GGB	10.961	8.234	0
International Training: Foreign Participant		GGB	10.962	27.845	0
				-----	-----
SUBTOTAL DIRECT FROM:				36.079	0
				-----	-----
SUBTOTAL FOREIGN AGRICULTURAL SERVICE, DEPARTMENT OF AGRICULTURE				36.079	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	NONCASH	STATE <sup>1</sup>	CFDA / OTHER ID NUMBER	DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY	INDICATOR	AGENCY		EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME					
FOREST SERVICE, DEPARTMENT OF AGRICULTURE					
DIRECT FROM:					
FOREST SERVICE, DEPARTMENT OF AGRICULTURE					
R&D		GGB	10.00-CR-11221611-003	3,156,191	0
R&D		GGB	10.00-CR-11221611-003 AMD 8	4,110	0
USDA-FS-SJNF-R&D		GGH	10.00-CS-11021300-091	19,600	0
R&D		GGB	10.01-7403-0425 15274-0314	30,028	0
R&D		GGB	10.01-CA-11120107-017	7,986	0
R&D		GGB	10.01-CA-11130152-075	78,966	0
R&D		GGB	10.01-CS-11020000-027 MOD.	32,333	0
R&D		GGB	10.01-CS-11020000-088 MOD.	41,723	0
R&D		GGB	10.01-CS-11020600-041	4,594	0
R&D		GGB	10.01-CS-11221616-074	61,919	0
R&D		GGB	10.01-JV-11221607-120 AMD 2	30,721	0
R&D		GGB	10.01-JV-11221609-264	4,023	0
R&D		GGB	10.01-JV-11221610-103	19,256	0
R&D		GGB	10.01-JV-11221611-177 AMEND	21,327	0
R&D		GGB	10.01-JV-11221611-217 AMEND	23,805	0
R&D		GGB	10.01-JV-11221615-186	40,211	0
R&D		GGB	10.01-JV-11221616-061 AMEND	28,367	0
R&D		GGB	10.01-JV-11221616-158	10,146	0
R&D		GGB	10.01-JV-11221617-278	6,773	0
R&D		GGB	10.01-JV-11222048-209	27,778	0
R&D		GGB	10.01-JV-11231300-080	4,635	0
R&D		GGB	10.01-PA-11130149-235	20,152	0
R&D		GGB	10.02-7403-0425(CA)	2,064	0
R&D		GGB	10.02-CS-11020300-021 M1	15,905	0
R&D		GGB	10.02-CS-11031000-009	28,003	0
R&D		GGB	10.02-JV-11221610-025	27,679	0
R&D		GGB	10.02-JV-11221625-130	8,927	0
R&D		GGB	10.02-JV-11222007-004	8,231	0
R&D		GGB	10.02-JV-11222074-078	43,210	0
Forestry Research		GFB	10.652	87,397	0
Forestry Research		GFB	10.652	36,101	0
Forestry Research		GGB	10.652	4,648,230	0
Cooperative Forestry Assistance		GGB	10.664	40,767	0
Rural Development, Forestry and Communities		GFB	10.672	44,646	0
R&D		GGB	10.PNW 01-JV-11261955-228	1,694	0
R&D		GGB	10.PNW 01-JV-11261988-056	5,776	0
R&D		GLA	10.RMRS-98121-RJVA	114,694	0
R&D		GLA	10.RMRS-98158-RJVA	11,946	0
SUBTOTAL DIRECT FROM:				8,799,914	0
PASS-THROUGH PROGRAMS FROM:					
University of Montana					
Forestry Research		GGB	10.652 / 10.PG-4472-01 MOD # 1	9,768	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				9,768	0
SUBTOTAL FOREST SERVICE, DEPARTMENT OF AGRICULTURE				8,809,682	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
NATURAL RESOURCES CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE					
DIRECT FROM:					
NATURAL RESOURCES CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE Soil and Water Conservation		GGB	10.902	62,999	0
SUBTOTAL DIRECT FROM:				62,999	0
SUBTOTAL NATURAL RESOURCES CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE				62,999	0
SUBTOTAL DEPARTMENT OF AGRICULTURE				18,843,277	1,135,761
-----					
DEPARTMENT OF COMMERCE					
ECONOMIC DEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE					
DIRECT FROM:					
ECONOMIC DEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE Grants for Public Works and Economic Development Facilities		GGB	11.300	11,032	0
Economic Development: Technical Assistance		GFB	11.303	18,054	8,037
Trade Adjustment Assistance		GFB	11.313	551,024	346,334
SUBTOTAL DIRECT FROM:				580,110	354,371
SUBTOTAL ECONOMIC DEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE				580,110	354,371
NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY, DEPARTMENT OF COMMERCE					
DIRECT FROM:					
NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY, DEPARTMENT OF COMMERCE R&D		GLA	11.43RANBOB1993	28,717	0
Measurement and Engineering Research and Standards		GFB	11.609	4,362,425	0
Measurement and Engineering Research and Standards		GFD	11.609	43,112	0
Measurement and Engineering Research and Standards		GFE	11.609	35,771	0
Advanced Technology Program		GFB	11.612	144,216	0
R&D		GLA	11. IPA # 2103	15,165	0
R&D		GLA	11.RA1341-02-2B-2035	20,965	0
R&D		GLA	11. VARIOUS AWARDS	156,009	0
SUBTOTAL DIRECT FROM:				4,806,380	0
PASS-THROUGH PROGRAMS FROM:					
ADA TECHNOLOGIES, INC. Measurement and Engineering Research and Standards		GFB	11.609 / 11.991059	(421)	0
GLOBAL SOLAR ENERGY, LLC R&D		GLA	11.ATP 70NANB8H4070	49,605	0
ITN ENERGY SYSTEMS, INC. Advanced Technology Program		GFB	11.612 / 11.70NANBOH3025	139,724	0
Advanced Technology Program		GLA	11.612 / 11.70NANBOH3025	96,064	0
MID-AMERICA MANUFACTURING TECHNOLOGY CENTER Measurement and Engineering Research and Standards		GFB	11.609 / 11.OCG4352B	490,710	(549)
Measurement and Engineering Research and Standards		GFB	11.609 / 11.PENDING5185	339,239	437
PROGENITOR INC Advanced Technology Program		GFB	11.612 / 11.ATP	(343)	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,114,578	(112)
SUBTOTAL NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY, DEPARTMENT OF COMMERCE				5,920,958	(112)

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, DEPARTMENT OF COMMERCE					
DIRECT FROM:					
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, DEPARTMENT OF COMMERCE					
R&D		GGB	11.1281704	(20,917)	0
Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)		GGB	11.400	1,410,167	0
Coastal Zone Management Estuarine Research Reserves		GFB	11.420	79,855	0
Intergovernmental Climate: Program (NESDIS)		GGB	11.428	(3,437)	0
Climate and Atmospheric Research		GFB	11.431	540,112	33,857
Climate and Atmospheric Research		GFD	11.431	57,683	0
Climate and Atmospheric Research		GGB	11.431	82,640	0
Office of Oceanic and Atmospheric Research (OAR) Joint and Cooperative Institutes		GFB	11.432	17,789,514	9,192
Office of Oceanic and Atmospheric Research (OAR) Joint and Cooperative Institutes		GGB	11.432	7,055,710	0
Marine Mammal Data Program		GGB	11.439	77,479	0
Independent Education and Science Projects and Programs		GFB	11.449	45,180	26,592
Special Oceanic and Atmospheric Projects		GFB	11.460	20,384	0
R&D		GGB	11.NA17RJ1228	226,126	0
R&D		GGB	11.NA17RJ1228, AMENDMENT #1	764	0
R&D		GGB	11.NA17RJ1228, AMENDMENT 3	83,719	0
SUBTOTAL DIRECT FROM:				27,444,979	69,641
PASS-THROUGH PROGRAMS FROM:					
UCAR-NCAR-COMET Atmospheric Tech. Divis.					
Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)		GGB	11.400 / 11.S00-19126	51,697	0
UNIVERSITY OF ALASKA					
Undersea Research		GFB	11.430 / 11.FP105742	20,404	0
Undersea Research		GFB	11.430 / 11.UAF 00-0063	59,443	0
Climate and Atmospheric Research		GFB	11.431 / 11.UAF00-0088/FP100948	84,636	0
UNIVERSITY OF CALIFORNIA AT SAN DIEGO					
Financial Assistance for National Centers for Coastal Ocean Science		GFB	11.426 / 11.10154344	48	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				216,228	0
SUBTOTAL NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, DEPARTMENT OF COMMERCE				27,661,207	69,641
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL OCEANOGRAPHIC DATA CENTER, DEPARTMENT OF COMMERCE					
DIRECT FROM:					
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL OCEANOGRAPHIC DATA CENTER, DEPARTMENT OF COMMERCE					
Research in Oceanographic Data Base Management		GFB	11.442	23,085	0
SUBTOTAL DIRECT FROM:				23,085	0
SUBTOTAL NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL OCEANOGRAPHIC DATA CENTER, DEPARTMENT OF COMMERCE				23,085	0
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL WEATHER SERVICE, DEPARTMENT OF COMMERCE					
PASS-THROUGH PROGRAMS FROM:					
UNIVERSITY CORP. FOR ATMOSPHERIC RESEARCH					
Hydrologic Research		GFD	11.462 / 11.S01-24239	2,746	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				2,746	0
SUBTOTAL NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL WEATHER SERVICE, DEPARTMENT OF COMMERCE				2,746	0
SUBTOTAL DEPARTMENT OF COMMERCE				34,188,106	423,900

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS	
DEPARTMENT OF DEFENSE						
AIR FORCE OFFICE OF SCIENTIFIC RESEARCH, HQ AIR FORCE MATERIAL COMMAND, DEPARTMENT OF THE AIR FORCE, DEPARTMENT OF DEFENSE						
DIRECT FROM:						
AIR FORCE OFFICE OF SCIENTIFIC RESEARCH, HQ AIR FORCE MATERIAL COMMAND, DEPARTMENT OF THE AIR FORCE, DEPARTMENT OF DEFENSE						
Air Force Defense Research Sciences Program		GFB	12.800	3,661,448	0	
Air Force Defense Research Sciences Program		GGB	12.800	278,120	0	
Air Force Defense Research Sciences Program		GLA	12.800 / 12.F49620-00-1-0043	569	0	
R&D		GLA	12.F49620-02-1-0152	23,957	0	
R&D		GLA	12.F49620-98-1-0483	131,210	39,752	
				-----	-----	
SUBTOTAL DIRECT FROM:				4,095,304	39,752	
PASS-THROUGH PROGRAMS FROM:						
BLACKHAWK GEOMETRICS						
R&D		GLA	12.NOT GIVEN	5,783	0	
CALIFORNIA INSTITUTE OF TECHNOLOGY						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.1022229	158,411	0	
Air Force Defense Research Sciences Program		GFB	12.800 / 12.PENDING5455	2,029	0	
CHARLES STARK DRAPER LAB						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.DL-H-526724	30,702	0	
DATA FUSION CORPORATION						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.OCG4149B	12,420	0	
FOSTER-MILLER, INC.						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.55914	14,852	0	
Air Force Defense Research Sciences Program		GFB	12.800 / 12.SUB1-00032	11,445	0	
HONEYWELL INTERNATIONAL, INC.						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.PO B09060056	104,299	0	
INNOVATIVE SCIENTIFIC SOLUTION						
R&D		GLA	12.F33615-99-C-2904	70,294	0	
ISSI						
R&D		GLA	12.F33615-01-C-2126	44,861	0	
LEFT HAND DESIGN CORP						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.01-890	63,301	0	
LOCKHEED MARTIN ASTRONAUTICS						
R&D		GLA	12.F33615-97-C-1097	15,602	0	
METACOMP TECHNOLOGIES, INC.						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.OCG4295B	38,016	0	
METROLASER INC						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.UCO/01/PK01	41	0	
MILTEC CORPORATION						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.MILTEC-02-C-0012	7,441	0	
NORTHWESTERN UNIVERSITY						
Air Force Defense Research Sciences Program		GLA	12.800 / 12.F49620-01-1-0529	10,907	0	
PARSONS ENGINEERING SCIENCE						
R&D		GLA	12.F41624-00-D-8024T024	113,747	0	
QEI TECHNOLOGIES, INC						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.1101	14,515	0	
Air Force Defense Research Sciences Program		GFB	12.800 / 12.PO# A100	(4,945)	0	
ROCKWELL SCIENCE CENTER						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.B1U408058	87,482	0	
Air Force Defense Research Sciences Program		GFB	12.800 / 12.BOU431587	94,299	0	
S&K ELECTRONICS						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.99H0U02	1,857	0	
SAIC						
R&D		GLA	12.F08650-99-D-0007	68,211	0	
SUPERCONDUCTING CORE TECHNOLOGIES INC						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.TUNABLE FILTERS	261	0	
SVT ASSOCIATES INC						
Air Force Defense Research Sciences Program		GFB	12.800 / 12.1659-607/20005-607	6	0	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY  
SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

UNIVERSITIES SPACE RESEARCH ASSOCIATION					
Air Force Defense Research Sciences Program		GFB	12.800 / 12.02500-0001-002/004	48,176	0
Air Force Defense Research Sciences Program		GFB	12.800 / 12.9500-09	(569)	0
UNIVERSITY OF CALIFORNIA AT IRVINE					
Air Force Defense Research Sciences Program		GFB	12.800 / 12.DB-F30602-99-C-0174	(16,682)	0
UNIVERSITY OF SOUTHERN CALIFORNIA					
Air Force Defense Research Sciences Program		GFB	12.800 / 12.015608	24,613	0
Air Force Defense Research Sciences Program		GFB	12.800 / 12.030498	(6,378)	0
YALE UNIVERSITY					
Air Force Defense Research Sciences Program		GFB	12.800 / 12.Y-96-0110	(57)	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,014,940	0
SUBTOTAL AIR FORCE OFFICE OF SCIENTIFIC RESEARCH, HQ AIR FORCE MATERIAL COMMAND, DEPARTMENT OF THE AIR FORCE, DEPARTMENT OF DEFENSE				5,110,244	39,752
AVIATION APPLIED TECHNOLOGY DIRECTORATE (AATD), AVIATION AND TROOP COMMAND (ATCOM), DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE					
PASS-THROUGH PROGRAMS FROM:					
DIAMONDBACK SYSTEMS, INC.					
R&D		GLA	12.DAAH01-00-C-R006	5,250	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				5,250	0
SUBTOTAL AVIATION APPLIED TECHNOLOGY DIRECTORATE (AATD), AVIATION AND TROOP COMMAND (ATCOM), DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE				5,250	0
DEFENSE ADVANCED RESEARCH PROJECTS AGENCY, DEPARTMENT OF DEFENSE					
DIRECT FROM:					
DEFENSE ADVANCED RESEARCH PROJECTS AGENCY, DEPARTMENT OF DEFENSE					
Research & Technology Development		GFB	12.910	546,993	12,695
Research & Technology Development		GGB	12.910	346,033	0
Research & Technology Development		GLA	12.910 / 12.MDA972-01-1-0041	111,057	0
SUBTOTAL DIRECT FROM:				1,004,083	12,695
PASS-THROUGH PROGRAMS FROM:					
AGILENT TECHNOLOGIES					
Research & Technology Development		GFB	12.910 / 12.N39998-01-3-0001	239,770	0
CALIFORNIA INSTITUTE OF TECHNOLOGY					
Research & Technology Development		GFB	12.910 / 12.PC249804	109,666	0
COLUMBIA UNIVERSITY					
Research & Technology Development		GFB	12.910 / 12.OCG4423B	315,691	0
DUPONT					
Research & Technology Development		GFB	12.910 / 12.LOX181126	(191)	0
GIT-Georgia Institute of Technology					
Research & Technology Development		GGB	12.910 / 12.E-21-F89-G1 AMEND 1	60,908	0
ILLINOIS INSTITUTE TECHNOLOGY RES INSTITUTE					
Research & Technology Development		GFE	12.910 / 12.241-0-6200-441-007	(2)	0
ITN ENERGY SYSTEMS INC.					
R&D		GLA	12.DAAD16-02-C-0031	129,253	0
ITN ENERGY SYSTEMS, INC.					
Research & Technology Development		GFB	12.910 / 12.OCG4100B	7,666	0
Research & Technology Development		GFB	12.910 / 12.OCG4107B	(27,708)	0
NORTHROP GRUMMAN					
Research & Technology Development		GFB	12.910 / 12.04UJ-TC-98139 OV	(8,589)	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

RESEARCH & DEVELOPMENT LABORATORIES Research & Technology Development		GFB	12.910 / 12.98-0837	429	0
SCIENCE APPLICATIONS INTERNATIONAL CORP Defense Technology Conversion, Reinvestment, & Transition Assistance		GFB	12.911 / 12.4400025218	217,897	0
SOFTWARE PRODUCTIVITY SOLUTION Defense Technology Conversion, Reinvestment, & Transition Assistance		GFC	12.911 / 12.1996-J5047-2	(34)	0
SRD COMPANY R&D		GLA	12.PO 1105	156,047	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,200,803	0
SUBTOTAL DEFENSE ADVANCED RESEARCH PROJECTS AGENCY, DEPARTMENT OF DEFENSE				2,204,886	12,695
DEFENSE LOGISTICS AGENCY, DEPARTMENT OF DEFENSE					
PASS-THROUGH PROGRAMS FROM:					
ADVANCED TECHNOLOGY INSTITUTE R&D		GLA	12.SP0103-01-C-0002	1,099	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,099	0
SUBTOTAL DEFENSE LOGISTICS AGENCY, DEPARTMENT OF DEFENSE				1,099	0
DEPARTMENT OF ARMY U.S. ARMY RESEARCH AND MATERIAL COMMAND, DEPARTMENT OF DEFENSE					
DIRECT FROM:					
DEPARTMENT OF ARMY U.S. ARMY RESEARCH AND MATERIAL COMMAND, DEPARTMENT OF DEFENSE					
Military Medical Research & Development		GFB	12.420	377,920	0
Military Medical Research & Development		GFE	12.420	2,613,834	0
Military Medical Research & Development		GGB	12.420	81,300	3,613
SUBTOTAL DIRECT FROM:				3,073,054	3,613
PASS-THROUGH PROGRAMS FROM:					
DEFORMATION CONTROL TECH, INC.					
R&D		GLA	12.DAAH10-00-C-0044	21,526	0
UNIVERSITY OF SOUTH CAROLINA Military Medical Research & Development		GFE	12.420 / 12.DAMD17-99-1-9480	13,566	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				35,092	0
SUBTOTAL DEPARTMENT OF ARMY U.S. ARMY RESEARCH AND MATERIAL COMMAND, DEPARTMENT OF DEFENSE				3,108,146	3,613
DEPARTMENT OF DEFENSE					
DIRECT FROM:					
DEPARTMENT OF DEFENSE					
R&D		GGB	12.DAAD19-01-2-0018	790,200	128,532
R&D		GGB	12.DAHC76-97-D-0014 DO# 002	10,524	0
R&D		GGB	12.DAMD17-00-1-0616	23,654	0
R&D		GLA	12.DAMD17-02-P-0333	6,531	0
R&D		GGB	12.DAPC49-02-D-0002 DO 00	35	0
R&D		GGB	12.IPA - TED S. RICHAN	10,719	0
SUBTOTAL DIRECT FROM:				841,663	128,532

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY  
 SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
 INDICATOR

STATE<sup>1</sup>  
 AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
 EXPENDITURES

PASSED TO  
 SUBRECIPIENTS

PASS-THROUGH PROGRAMS FROM:  
 INNOVATEK, INC.  
 R&D  
 Purdue University  
 R&D  
 ROLLS-ROYCE CORPORATION  
 R&D

GLA 12.DAAD05-99-D-7014  
 GGB 12.530-1812-01  
 GLA 12.N00019-02-C-3003

30,786  
 22,512  
 5,141

0  
 0  
 0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

58,439

0

SUBTOTAL DEPARTMENT OF DEFENSE

900,102

128,532

NATIONAL SECURITY AGENCY, DEPARTMENT OF DEFENSE

DIRECT FROM:

NATIONAL SECURITY AGENCY, DEPARTMENT OF DEFENSE  
 Language Grant Program  
 Information Security Grant Program

GFB 12.900  
 GFB 12.902

214,593  
 99,270

0  
 210,529

SUBTOTAL DIRECT FROM:

313,863

210,529

PASS-THROUGH PROGRAMS FROM:

UNIVERSITY OF VIRGINIA  
 Mathematical Sciences Grants Program

GFB 12.901 / 12.GG10060-112884

185,839

0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

185,839

0

SUBTOTAL NATIONAL SECURITY AGENCY, DEPARTMENT OF DEFENSE

499,702

210,529

OFFICE OF NAVAL RESEARCH, DEPARTMENT OF THE NAVY

DIRECT FROM:

OFFICE OF NAVAL RESEARCH, DEPARTMENT OF THE NAVY  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 R&D  
 R&D  
 R&D

GFB 12.300  
 GFD 12.300  
 GFE 12.300  
 GGB 12.300  
 GLA 12.300 / 12.N00014-01-1-0929  
 GLA 12.300 / 12.N00014-02-1-0665  
 GLA 12.300 / 12.N00014-91-J-1267  
 GLA 12.300 / 12.N00014-94-1-0694  
 GLA 12.N00167-01-M-0053  
 GLA 12.N00244-01-P-1353  
 GLA 12.N00244-02-P1604

5,904,125  
 87,413  
 118,695  
 997,600  
 19,094  
 6,873  
 24,214  
 90,727  
 20,042  
 26,078  
 2,441

1,000,070  
 0  
 0  
 0  
 0  
 0  
 0  
 0  
 0  
 0  
 0  
 0

SUBTOTAL DIRECT FROM:

7,297,302

1,000,070

PASS-THROUGH PROGRAMS FROM:

BAE SYSTEMS  
 Basic & Applied Scientific Research  
 COMPOSITE TECHNOLOGY DEVELOPMENT  
 Basic & Applied Scientific Research  
 JOHNS HOPKINS UNIVERSITY  
 Basic & Applied Scientific Research  
 PRAXIS INC  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 SAN DIEGO STATE UNIVERSITY FOUNDATION  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research  
 Basic & Applied Scientific Research

GFB 12.300 / 12.RL8702  
 GFB 12.300 / 12.PO#1569  
 GFB 12.300 / 12.849593  
 GFB 12.300 / 12.9643-PXI-009  
 GFB 12.300 / 12.SC20000911  
 GFB 12.300 / 12.50879A P2748 DO-046  
 GFB 12.300 / 12.523038  
 GFB 12.300 / 12.D.O.#0072  
 GFB 12.300 / 12.DELIVERY ORDER 0054

154,628  
 3  
 38,377  
 9,216  
 (4,603)  
 (321)  
 (79)  
 299,834  
 132,725

0  
 0  
 0  
 0  
 0  
 0  
 0  
 9,225  
 0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY  
SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

STERLING SEMICONDUCTOR, INC. Basic & Applied Scientific Research		GFB	12.300 / 12.AGREEMENT1815	126,756	0
TDA RESEARCH INC. Basic & Applied Scientific Research		GFB	12.300 / 12.N00014-01-M-0036	23,882	0
UNIVERSITY OF CALIFORNIA BERKLEY Basic & Applied Scientific Research		GFB	12.300 / 12.SA2832-25624	60,557	0
Basic & Applied Scientific Research		GFB	12.300 / 12.SA3212	67,717	0
UNIVERSITY OF IDAHO Basic & Applied Scientific Research		GFD	12.300 / 12.BHK367-01-A	8,761	0
UNIVERSITY OF NEBRASKA LINCOLN Basic & Applied Scientific Research		GFB	12.300 / 12.25-1109-0041-002	48,645	0
UNIVERSITY OF WISCONSIN Basic & Applied Scientific Research		GFB	12.300 / 12.G066990	44,743	0
UTAH STATE UNIVERSITY Basic & Applied Scientific Research		GFB	12.300 / 12.C019252	130,953	0
University of Nottingham, England Basic & Applied Scientific Research		GGB	12.300 / 12.RBU: 8490	5,399	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,147,193	9,225
SUBTOTAL OFFICE OF NAVAL RESEARCH, DEPARTMENT OF THE NAVY				8,444,495	1,009,295
OFFICE OF THE CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE					
DIRECT FROM:					
OFFICE OF THE CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE State Memorandum of Agreement Program for the Reimbursement of Technical Services Collaborative Research & Development		GFB	12.113	(551)	0
		GFB	12.114	1,098,390	493,807
SUBTOTAL DIRECT FROM:				1,097,839	493,807
PASS-THROUGH PROGRAMS FROM:					
BATTELLE, COLUMBUS DIVISION Collaborative Research & Development		GFB	12.114 / 12.DAAH04-96-C-0086	37,656	0
Collaborative Research & Development		GFB	12.114 / 12.DO#0488	11,538	0
CDM OPTICS Collaborative Research & Development		GFB	12.114 / 12.O0G4321B	79,244	0
MONTANA STATE UNIVERSITY Collaborative Research & Development		GFB	12.114 / 12.291841	(1,681)	0
RAYTHEON Collaborative Research & Development		GFB	12.114 / 12.312502	2,534	0
Collaborative Research & Development		GFB	12.114 / 12.6-822729-S-17 (N4)	1,813	0
SYSTINE INC. Collaborative Research & Development		GFB	12.114 / 12.A102	88,097	0
UNIVERSITY OF OREGON Collaborative Research & Development		GFB	12.114 / 12.235751A	83,383	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				302,584	0
SUBTOTAL OFFICE OF THE CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE				1,400,423	493,807
OFFICE OF THE SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE					
DIRECT FROM:					
OFFICE OF THE SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE Basic, Applied, & Advanced Research in Science and Engineering		GFB	12.630	531,154	71,077
Basic, Applied, & Advanced Research in Science and Engineering		GFC	12.630	160,460	0
SUBTOTAL DIRECT FROM:				691,614	71,077

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY MAJOR SUBDIVISION OF FEDERAL AGENCY SOURCE TYPE (DIRECT OR PASS-THROUGH) ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY) PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
PASS-THROUGH PROGRAMS FROM:					
ENSR					
Basic, Applied, & Advanced Research in Science and Engineering		GFC	12.630 / 12.99057	1,452	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,452	0
SUBTOTAL OFFICE OF THE SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE				693,066	71,077
U.S. ARMY RESEARCH OFFICE, U.S. ARMY MATERIAL COMMAND					
DIRECT FROM:					
U.S. ARMY RESEARCH OFFICE, U.S. ARMY MATERIAL COMMAND					
Basic Scientific Research		GFB	12.431	525,045	31,800
Basic Scientific Research		GFC	12.431	78,346	0
Basic Scientific Research		GGB	12.431	1,802,233	183,682
Basic Scientific Research		GLA	12.431 / 12.DAAD19-01-1-0749	27,361	0
R&D		GLA	12.DAAD05-01-P-0675	2,131	0
R&D		GLA	12.DAAD19-00-1-0149	329	0
R&D		GLA	12.DAAD19-01-1-0375	92,727	0
R&D		GLA	12.DAAD19-01-1-0377	73,411	0
R&D		GLA	12.DAAD19-01-1-0590	54,776	0
R&D		GLA	12.DAAD19-02-1-0221	483	0
R&D		GLA	12.DAAD19-99-1-0195	14,478	0
R&D		GLA	12.DAAG55-98-1-0105	35	0
R&D		GLA	12.DAAG55-98-1-0324	2,229	0
SUBTOTAL DIRECT FROM:				2,673,584	215,482
PASS-THROUGH PROGRAMS FROM:					
ACADEMY OF APPLIED SCIENCES					
Basic Scientific Research		GFC	12.431 / 12.DAAD19-991006	(316)	0
CERADYNE INC.					
Basic Scientific Research		GFB	12.431 / 12.17559	26,978	0
Basic Scientific Research		GFB	12.431 / 12.PO# 23881	14,050	0
DOD-ARMY-Oregon Natl Guard/Military Dept					
Basic Scientific Research		GGB	12.431 / 12.98-0003 MOD # 1	189	0
TDA RESEARCH INC.					
Basic Scientific Research		GFB	12.431 / 12.OCG4402B	30,073	0
UNIVERSITY OF CALIFORNIA AT SANTA BARBARA					
Basic Scientific Research		GFB	12.431 / 12.KK0124	175,551	0
UNIVERSITY OF MICHIGAN					
Basic Scientific Research		GFB	12.431 / 12.F000569	(579)	0
UNIVERSITY OF RHODE ISLAND					
Basic Scientific Research		GLA	12.431 / 12.DACA72-01-C-0013	72,498	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				318,444	0
SUBTOTAL U.S. ARMY RESEARCH OFFICE, U.S. ARMY MATERIAL COMMAND				2,992,028	215,482
SUBTOTAL DEPARTMENT OF DEFENSE				25,359,441	2,184,782

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PASS-THROUGH PROGRAMS FROM:

CITY OF AURORA

Community Development Block Grants/Small Cities Program

GFE 14.219 / 14.B-98-SP-CO-0062

509.789

0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

509.789

0

SUBTOTAL COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

509.789

0

OFFICE OF POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

DIRECT FROM:

OFFICE OF POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Community Development Work-Study Program

GFD 14.512

179.611

0

Early Doctoral Student Research Grants

GFD 14.517

7.392

0

SUBTOTAL DIRECT FROM:

187.003

0

SUBTOTAL OFFICE OF POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

187.003

0

SUBTOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

696.792

0

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR

DIRECT FROM:

BUREAU OF INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR

R&D

GLA 15.CMK00000003

75.517

0

SUBTOTAL DIRECT FROM:

75.517

0

SUBTOTAL BUREAU OF INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR

75.517

0

BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

DIRECT FROM:

BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

R&D

GLA 15.1422 C950A60009 T06

2.436

0

R&D

GGB 15.1422 C950A80010

4.891

0

R&D

GGB 15.1422 C950A80010 T01

10.478

0

R&D

GGB 15.1422 C950A80010 T01

13.701

0

R&D

GGB 15.1422 C950A80010 T012

1.003

0

R&D

GGB 15.1422 C950A80010 T013

17.947

0

R&D

GGB 15.1422 C950A80010 T014

19.475

0

R&D

GGB 15.1422 C950A80010 T015

9.184

0

R&D

GGB 15.1422 C950A80010 T016

1.700

0

R&D

GGB 15.1422 C950A80010 T018

4.439

0

R&D

GGB 15.1422 C950A80010 T022 M02

6.164

0

R&D

GGB 15.1422 C950A80010 T025 M01

1.048

0

R&D

GGB 15.1422 C950A80024 T02

31.071

0

R&D

GGB 15.1422 C950A80024 T03

24.843

0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
	R&D					GGB	15.1422C950A80010 T09	1,014	0
	Cooperative Inspection Agreements with States & Tribes					GFB	15.222	19,591	0
	Cultural Resource Management					GFB	15.224	4,193	0
	R&D					GGB	15.JSA001013 TASK ORDER #	37,344	0
	R&D					GGB	15.JSA001013 TASK ORDER 2	112,821	0
	R&D					GGB	15.JSA001013 TASK ORDER 3	26,558	0
	R&D					GGB	15.JSA001013. TASK ORDER 1	185,198	0
	SUBTOTAL DIRECT FROM:							535,099	0
	SUBTOTAL BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR							535,099	0
	BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR								
	DIRECT FROM:								
	BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR								
	R&D					GGB	15.0-FC-40-08910	127,636	0
	R&D					GGB	15.0-FC-40-08910 MOD18	817	0
	R&D					GGB	15.0-FC-40-08910 MOD30	4,354	0
	R&D					GGB	15.0-FC-40-08910 MOD33	25,608	0
	R&D					GGB	15.0-FC-40-08910 MOD 17	23,780	0
	R&D					GGB	15.0-FC-40-08910 MOD 20	171	0
	R&D					GGB	15.0-FC-40-08910 MOD 25	101,421	0
	R&D					GGB	15.0-FC-40-08910 MOD 30	31,321	0
	R&D					GGB	15.0-FC-40-08910, MOD. 17	67,728	0
	R&D					GGB	15.00-FC-81-0213	70,584	0
	R&D					GGB	15.01-FC-40-5610	21,895	0
	R&D					GGB	15.01-FC-40-5720	9,847	0
	R&D					GLA	15.01-FC-81-0738	25,804	0
	R&D					GGB	15.02-FC-32-0060	14,029	0
	R&D					GGB	15.02-FC-40-6130	34,148	0
	R&D					GGB	15.1425-7-FC-10-02570	38,813	0
	R&D					GGB	15.3-FC-40-14460	73,309	0
	Water Reclamation and Reuse Program					GFB	15.504	708,998	0
	R&D					GGB	15.6-FC-60-07170 MOD 003	881	0
	R&D					GGB	15.7-FC-40-20500 MOD #008	11,125	0
	R&D					GGB	15.7-FC-40-20500 MOD #009	66,251	0
	R&D					GGB	15.8-FC-CU-CS020, 314 C	19,595	0
	R&D					GGB	15.98-FC-40-0370	45,818	0
	R&D					GGB	15.98-FC-40-0440	25,503	0
	R&D					GGB	15.98PG10346	114	0
	R&D					GGB	15.99-FC-40-2670	9,550	0
	R&D					GGB	15.99-FC-60-12140	33,895	0
	R&D					GGB	15.99FC810156	(7,002)	0
	R&D					GGB	15.CA 00-FC-81-0202	66,848	0
	R&D					GGB	15.CA99-FG-81-0164	114,047	0
	R&D					GGB	15.IPA00RA810007	48,594	0
	SUBTOTAL DIRECT FROM:							1,815,482	0
	SUBTOTAL BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR							1,815,482	0
	DEPARTMENT OF THE INTERIOR								
	DIRECT FROM:								
	DEPARTMENT OF THE INTERIOR								
	R&D					GGB	15.8-FC-CU-CS010	28,821	0
	R&D					GGB	15.CA 1200-99-009 CSU-30, C	18,540	0
	R&D					GGB	15.CA238099001 TO # 01-20	29,132	0
	SUBTOTAL DIRECT FROM:							76,493	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY MAJOR SUBDIVISION OF FEDERAL AGENCY SOURCE TYPE (DIRECT OR PASS-THROUGH) ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY) PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
PASS-THROUGH PROGRAMS FROM:					
National Fish and Wildlife Foundation R&D		GGB	15.2001-0030-015	10.669	0
TEXAS A&M REESARCH FOUNDATION Unclassified Grants and Contracts		GFB	15.000 / 15.S800117	17.372	0
UNIVERSITY OF ALASKA Unclassified Grants and Contracts		GFB	15.000 / 15.FP002959	10.037	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				----- 38.078	----- 0
SUBTOTAL DEPARTMENT OF THE INTERIOR				114.571	0
GEOLOGICAL SURVEY, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
GEOLOGICAL SURVEY, DEPARTMENT OF THE INTERIOR					
Assistance to State Water Resources Research Institutes		GFB	15.805	514.743	0
Assistance to State Water Resources Research Institutes		GGB	15.805	224.162	21,134
U.S. Geological Survey: Research & Data Acquisition		GFB	15.808	1,146.902	0
U.S. Geological Survey: Research & Data Acquisition		GFE	15.808	15.427	0
U.S. Geological Survey: Research & Data Acquisition		GGB	15.808	1,430.091	0
U.S. Geological Survey: Research & Data Acquisition		GLA	15.808 / 15.00CRAG0006	81.825	0
U.S. Geological Survey: Research & Data Acquisition		GLA	15.808 / 15.01ERSA0111	20.219	0
U.S. Geological Survey: Research & Data Acquisition		GLA	15.808 / 15.02WRAG0015	24.120	0
U.S. Geological Survey: Research & Data Acquisition		GKA	15.808 / 15.16USC742 & 02CRAG0009	4.815	0
SUBTOTAL DIRECT FROM:				----- 3,462.304	----- 21,134
SUBTOTAL GEOLOGICAL SURVEY, DEPARTMENT OF THE INTERIOR				3,462.304	21,134
MINERALS MANAGEMENT, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
MINERALS MANAGEMENT, DEPARTMENT OF THE INTERIOR					
R&D		GLA	15.0101P018117	11.921	0
R&D		GLA	15.1435-01-01-PO-18216	22.656	0
R&D		GLA	15.1435-01-99-PO-16166	36.952	0
SUBTOTAL DIRECT FROM:				----- 71.529	----- 0
SUBTOTAL MINERALS MANAGEMENT, DEPARTMENT OF THE INTERIOR				71.529	0
NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR					
National Register of Historic Places		GFB	15.914	52.988	0
Technical Preservation Services		GKA	15.915 / 15.CA1248-00-007/ROMO R0	24.420	0
Technical Preservation Services		GKA	15.915 / 15.CA1248-00-007/ROMO-R0	52.212	0
Technical Preservation Services		GKA	15.915 / 15.CA1268-1-9012/ROMO R0	24.670	0
Technical Preservation Services		GKA	15.915 / 15.CA1268-1-9012/ROMO R9	75.388	0
Outdoor Recreation: Acquisition, Development and Planning		GGB	15.916	3,348.896	0
Rivers, Trails, & Conservation Assistance		GFB	15.921	(3,348)	0
National Center for Preservation Technology and Training (B) -		GFB	15.923	55	0
R&D		GGB	15.CA 1200-99-009 CSU-36	50.069	0
R&D		GGB	15.CA 1200-99-009 CSU-05	71.941	5,184
R&D		GGB	15.CA 2380-99-001 TO 00-02	33.360	0
SUBTOTAL DIRECT FROM:				----- 3,730.651	----- 5,184

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
PASS-THROUGH PROGRAMS FROM:					
JAMES MADISON UNIVERSITY					
Historic Preservation Fund Grants-In-Aid	GFB	15.904	/ 15.V00193-02	6	0
Rivers, Trails, & Conservation Assistance	GFB	15.921	/ 15.V01146-02	15,118	0
Northern Arizona University					
National Natural Landmarks Program	GGB	15.910	/ 15.CA-1200-99-009 NAU-10	1,666	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				16,790	0
				-----	-----
SUBTOTAL NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR				3,747,441	5,184
OFFICE OF INSULAR AFFAIRS, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
OFFICE OF INSULAR AFFAIRS, DEPARTMENT OF THE INTERIOR					
Economic, Social, & Political Development of the Territories & the Freely Associated States	GFB	15.875		220,835	75,044
				-----	-----
SUBTOTAL DIRECT FROM:				220,835	75,044
PASS-THROUGH PROGRAMS FROM:					
AMERICAN COUNCIL ON EDUCATION					
Economic, Social, & Political Development of the Territories & the Freely Associated States	GFB	15.875	/ 15.HNE-A-97-00059-00	28,239	14,474
COUNCIL OF STATE GOVERNMENTS					
Economic, Social, & Political Development of the Territories & the Freely Associated States	GFB	15.875	/ 15.AEP-0015-A-00-4034-	96,776	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				125,015	14,474
				-----	-----
SUBTOTAL OFFICE OF INSULAR AFFAIRS, DEPARTMENT OF THE INTERIOR				345,850	89,518
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT, DEPARTMENT OF THE INTERIOR					
Regulation of Surface Coal Mining & Surface Effects of Underground Coal Mining	GFB	15.250		25	0
Abandoned Mine Land Reclamation (AMLR) Program	GFB	15.252		245,622	0
				-----	-----
SUBTOTAL DIRECT FROM:				245,647	0
				-----	-----
SUBTOTAL OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT, DEPARTMENT OF THE INTERIOR				245,647	0
U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR					
DIRECT FROM:					
U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR					
Wildlife Conservation & Appreciation	GFB	15.617		19,005	0
Wildlife Conservation & Appreciation	GGB	15.617		68,335	0
				-----	-----
SUBTOTAL DIRECT FROM:				87,340	0
PASS-THROUGH PROGRAMS FROM:					
National Fish and Wildlife Foundation					
R&D	GGB	15.2001-0001-003.CON		33,399	0
UNIVERSITY OF NEVADA AT LAS VEGAS					
Fish & Wildlife Management Assistance	GFB	15.608	/ 15.FWS#143208J104	6	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				33,405	0
				-----	-----
SUBTOTAL U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR				120,745	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

U.S. GEOLOGICAL SURVEY, U.S. DEPARTMENT OF THE INTERIOR

DIRECT FROM:

U.S. GEOLOGICAL SURVEY, U.S. DEPARTMENT OF THE INTERIOR

R&D

GGB 15.00HQAG0008  
 GLA 15.01WRCN0015  
 GLA 15.1434-WR-97-AG-00006  
 GLA 15.809 / 15.01ERAG0069  
 GLA 15.AGREEMENT  
 GLA 15.PURCHASE ORDER

10,481  
 78,615  
 94,089  
 24,995  
 552  
 998

R&D

R&D

National Spatial Data Infrastructure Competitive Cooperative Agreements Program

R&D

R&D

SUBTOTAL DIRECT FROM:

209,730 0

PASS-THROUGH PROGRAMS FROM:

University of Denver

R&D

GGB 15.2351903

42,218 0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

42,218 0

SUBTOTAL U.S. GEOLOGICAL SURVEY, U.S. DEPARTMENT OF THE INTERIOR

251,948 0

SUBTOTAL DEPARTMENT OF THE INTERIOR

10,786,133 115,836

DEPARTMENT OF JUSTICE

DRUG ENFORCEMENT ADMINISTRATION, DEPARTMENT OF JUSTICE

DIRECT FROM:

DRUG ENFORCEMENT ADMINISTRATION, DEPARTMENT OF JUSTICE

Public Education on Drug Abuse: Information

GFC 16.005

3,201 0

SUBTOTAL DIRECT FROM:

3,201 0

SUBTOTAL DRUG ENFORCEMENT ADMINISTRATION, DEPARTMENT OF JUSTICE

3,201 0

NATIONAL INSTITUTE OF JUSTICE, DEPARTMENT OF JUSTICE

DIRECT FROM:

NATIONAL INSTITUTE OF JUSTICE, DEPARTMENT OF JUSTICE

National Institute of Justice Research, Evaluation, and Development Projects Grants

GGB 16.560

91,642 0

SUBTOTAL DIRECT FROM:

91,642 0

PASS-THROUGH PROGRAMS FROM:

UNIVERSITY OF KANSAS

National Institute of Justice Research, Evaluation, and Development Projects Grants

GFE 16.560 / 16.KU 1999-IJ-CX-0016

1 0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

1 0

SUBTOTAL NATIONAL INSTITUTE OF JUSTICE, DEPARTMENT OF JUSTICE

91,643 0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
NATIONAL INSTITUTE OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE					
PASS-THROUGH PROGRAMS FROM:					
CITY OF COLORADO SPRINGS					
Corrections and Law Enforcement Family Support		GFC	16.563 / 16.028-210-2573-2402	(2)	0
Corrections and Law Enforcement Family Support		GFC	16.563 / 16.98C16788	(11)	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				(13)	0
SUBTOTAL NATIONAL INSTITUTE OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE				(13)	0
OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE					
Violence Against Women Formula Grants		GFB	16.588	114,909	71,073
SUBTOTAL DIRECT FROM:				114,909	71,073
SUBTOTAL OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE				114,909	71,073
OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION, DEPARTMENT OF JUSTICE					
DIRECT FROM:					
OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION, DEPARTMENT OF JUSTICE					
Juvenile Justice & Delinquency Prevention: Special Emphasis		GFB	16.541	1,986,108	1,916,264
National Institute for Juvenile Justice & Delinquency Prevention		GFC	16.542	17,562	0
Weed and Seed Program Fund		GFE	16.725	167,062	0
SUBTOTAL DIRECT FROM:				2,170,732	1,916,264
SUBTOTAL OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION, DEPARTMENT OF JUSTICE				2,170,732	1,916,264
SUBTOTAL DEPARTMENT OF JUSTICE				2,380,472	1,987,337
-----					
DEPARTMENT OF STATE					
BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS, DEPARTMENT OF STATE					
DIRECT FROM:					
BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS, DEPARTMENT OF STATE					
Educational Exchange: University Lecturers (Professors) and Research Scholars		GFD	19.401	15,095	0
Educational Partnerships Program		GFB	19.406	19,457	0
SUBTOTAL DIRECT FROM:				34,552	0
PASS-THROUGH PROGRAMS FROM:					
UNIVERSITY OF UTAH					
College and University Partnerships Program		GFC	19.405 / 19.98-0-13	1,248	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,248	0
SUBTOTAL BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS, DEPARTMENT OF STATE				35,800	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	NONCASH	STATE <sup>1</sup>	CFDA / OTHER ID NUMBER	DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY	INDICATOR	AGENCY		EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME					
BUREAU OF INTELLIGENCE AND RESEARCH, DEPARTMENT OF STATE					
PASS-THROUGH PROGRAMS FROM:					
University of California at Davis					
Program for Study of Eastern Europe & the Independent States of the Former Soviet Union		GGB	19.300 / 19.102-20-21 PCE-G00--98	0	(252)
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				0	(252)
				-----	-----
SUBTOTAL BUREAU OF INTELLIGENCE AND RESEARCH, DEPARTMENT OF STATE				0	(252)
				-----	-----
SUBTOTAL DEPARTMENT OF STATE				35.800	(252)
				-----	-----
DEPARTMENT OF TRANSPORTATION					
DEPARTMENT OF TRANSPORTATION					
PASS-THROUGH PROGRAMS FROM:					
National Safety Council - TEAM Grants					
R&D		GGB	20.DTNH22-00-H-05278	41.347	0
North Dakota State University					
R&D		GGB	20.12708	(49)	0
R&D		GGB	20.58206	441	0
R&D		GGB	20.58306	(197)	0
R&D		GGB	20.58406	(57)	0
R&D		GGB	20.58506	1.900	0
R&D		GGB	20.58606	1.955	0
R&D		GGB	20.58707	274	0
R&D		GGB	20.DTRS99-G-0008	21.061	0
R&D		GGB	20.MPC-181	2.241	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				68.916	0
				-----	-----
SUBTOTAL DEPARTMENT OF TRANSPORTATION				68.916	0
				-----	-----
FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION					
DIRECT FROM:					
FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION					
Aviation Research Grants		GFB	20.108	36.890	0
				-----	-----
SUBTOTAL DIRECT FROM:				36.890	0
				-----	-----
PASS-THROUGH PROGRAMS FROM:					
UCAR-NCAR-Nat Ctr for Atmospheric Res					
Aviation Education		GGB	20.100 / 20.S00-19852	21.022	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				21.022	0
				-----	-----
SUBTOTAL FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION				57.912	0
				-----	-----
FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION					
DIRECT FROM:					
FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION					
Highway Planning & Construction		GGB	20.205	3.082	0
				-----	-----
SUBTOTAL DIRECT FROM:				3.082	0
				-----	-----

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
PASS-THROUGH PROGRAMS FROM:					
AMERICAN TRADE INITIATIVES					
Highway Planning & Construction		GFB	20.205 / 20.00G4279B	126	0
BALL AEROSPACE					
Highway Planning & Construction		GFD	20.205 / 20.Z29000	4,648	0
GEORGIA INSTITUTE OF TECHNOLOGY					
Highway Planning & Construction		GFB	20.205 / 20.E-20-F43-S2	21,883	0
NATIONAL ACADEMY OF SCIENCE					
Highway Planning & Construction		GFD	20.205 / 20.HR12-59	61,047	24,149
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				87,704	24,149
SUBTOTAL FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION					
				90,786	24,149
FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION					
PASS-THROUGH PROGRAMS FROM:					
NATIONAL ACADEMY OF SCIENCE					
Transit Planning & Research		GFD	20.514 / 20.ITS-82	11,315	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				11,315	0
SUBTOTAL FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION					
				11,315	0
SUBTOTAL DEPARTMENT OF TRANSPORTATION					
				228,929	24,149
-----					
OFFICE OF PERSONNEL MANAGEMENT					
OFFICE OF PERSONNEL MANAGEMENT					
DIRECT FROM:					
OFFICE OF PERSONNEL MANAGEMENT					
Intergovernmental Personnel Act (IPA) Mobility Program		GFC	27.011	21,040	0
Intergovernmental Personnel Act (IPA) Mobility Program		GFE	27.011	1,179,244	0
SUBTOTAL DIRECT FROM:				1,200,284	0
SUBTOTAL OFFICE OF PERSONNEL MANAGEMENT					
				1,200,284	0
SUBTOTAL OFFICE OF PERSONNEL MANAGEMENT					
				1,200,284	0
-----					
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
DIRECT FROM:					
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
Aerospace Education Services Program		GFB	43.001	66,697	0
Aerospace Education Services Program		GGB	43.001	1,253,868	38,763
Technology Transfer		GFB	43.002	33,080,790	7,441,127
Technology Transfer		GFC	43.002	63,131	0
R&D		GLA	43.1225220	45,879	0
R&D		GLA	43.NAG 9-1207	86,719	0
R&D		GLA	43.NAG 9-1364	67,004	0
R&D		GGB	43.NAG1-02008	48,298	0
R&D		GGB	43.NAG13-02005	56,263	0
R&D		GGB	43.NAG5-10076 #0002	94,501	0
R&D		GGB	43.NAG5-10482 SUPP # 2	121,543	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY		NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY		INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME						
R&D			GGB	43.NAG5-10593 SUPP 1	131,663	0
R&D			GGB	43.NAG5-11010 SUPP 1	109,345	0
R&D			GGB	43.NAG5-11018	77,009	0
R&D			GGB	43.NAG5-11073 SUPP 0001	53,469	0
R&D			GGB	43.NAG5-11109 SUPP 0002	108,599	0
R&D			GGB	43.NAG5-11140	45,002	0
R&D			GGB	43.NAG5-11189 SUPP # 0004	436,311	0
R&D			GGB	43.NAG5-11280	41,228	0
R&D			GGB	43.NAG5-11370	54,152	0
R&D			GGB	43.NAG5-11475	67,460	0
R&D			GGB	43.NAG5-11476 #0001	26,542	0
R&D			GGB	43.NAG5-11507	28,727	0
R&D			GGB	43.NAG5-11710	65,490	0
R&D			GGB	43.NAG5-11737	78,372	0
R&D			GGB	43.NAG5-11816	66,832	0
R&D			GGB	43.NAG5-4646 SUPP 0005	193,661	128,512
R&D			GGB	43.NAG5-6637 0003	852	0
R&D			GGB	43.NAG5-7717 0006	73,547	0
R&D			GGB	43.NAG5-7719 0006	4,185	0
R&D			GGB	43.NAG5-7783 SUPPLEMENT 000	9,663	0
R&D			GGB	43.NAG5-9642 #0005	164,984	0
R&D			GGB	43.NAG5-9665 #0005	100,780	0
R&D			GLA	43.NAG5-9684	24,221	0
R&D			GLA	43.NCC3-659	145,031	0
R&D			GGB	43.NCC5-288 SUPP 0007	81,806	0
R&D			GGB	43.NCC5-288 SUPP 0007	38,335	0
R&D			GGB	43.NCC5-621	361,423	0
R&D			GLA	43.NCC8-238	424,707	2,000,000
R&D			GLA	43.NCCW-0096	986,039	400,000
R&D			GLA	43.P.O. 90044N	34,679	0
SUBTOTAL DIRECT FROM:					39,018,807	10,008,402
PASS-THROUGH PROGRAMS FROM:						
AEROSPACE CORPORATION						
Technology Transfer			GFB	43.002 / 43.460000895	340	0
ARIZONA STATE UNIVERSITY						
Technology Transfer			GFB	43.002 / 43.01-079	27,789	0
Technology Transfer			GFB	43.002 / 43.PO#03199200021	(417)	0
BALL AEROSPACE						
Technology Transfer			GFB	43.002 / 43.00DLB10054	9,827	0
Technology Transfer			GFB	43.002 / 43.00DLB10063	85	0
Technology Transfer			GFB	43.002 / 43.01RDK00274	5,347	0
Technology Transfer			GFB	43.002 / 43.02DLOB10019	7,527	0
Technology Transfer			GFB	43.002 / 43.97BSM00005	404,352	182,627
Technology Transfer			GFB	43.002 / 43.99BSM00007	772,944	144,792
Technology Transfer			GFB	43.002 / 43.PO 00DLB10046	952	0
BOSTON UNIVERSITY						
Technology Transfer			GFB	43.002 / 43.GC 153276 NGD	5,032	0
Technology Transfer			GFB	43.002 / 43.GC174055NGA	67,842	0
CALIFORNIA INSTITUTE OF TECHNOLOGY						
Technology Transfer			GFB	43.002 / 43.1018448	7,638	0
CARNEGIE INSTITUTE OF WASHINGTON						
Technology Transfer			GFB	43.002 / 43.3063	33,674	0
Technology Transfer			GFB	43.002 / 43.SUB NASW-00002	146,384	0
COLUMBIA UNIVERSITY						
Technology Transfer			GFB	43.002 / 43.NCC5-34	148	0
COMPUTATIONAL PHYSICS, INC.						
Technology Transfer			GFB	43.002 / 43.PO# 5106-001-50	146,261	0
FOSTER-MILLER, INC.						
Technology Transfer			GFB	43.002 / 43.SUB1-000038	165,881	0
Technology Transfer			GFB	43.002 / 43.SUB1-000049	57,222	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY		NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY		INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME						
GLOBAL AEROSPACE CORPORATION			GLA	43.NAS5-98051	38,738	0
R&D						
HAMPTON UNIVERSITY			GFB	43.002 / 43.SUB NO.1/NAG5-10796	130,000	5,000
Technology Transfer						
HOWARD UNIVERSITY			GFB	43.002 / 43.633621A	2,571	0
Technology Transfer						
JET PROPULSION LABORATORY			GFB	43.001 / 43.1221055	4,214	0
Aerospace Education Services Program			GFB	43.002 / 43.1207989	8,111	0
Technology Transfer			GFB	43.002 / 43.1208093	(12)	0
Technology Transfer			GFB	43.002 / 43.1208112	288,076	0
Technology Transfer			GFB	43.002 / 43.1209396	(3,355)	0
Technology Transfer			GFB	43.002 / 43.1213326	1	0
Technology Transfer			GFB	43.002 / 43.1213791	6,066	0
Technology Transfer			GFB	43.002 / 43.1214727	(447)	0
Technology Transfer			GFB	43.002 / 43.1215205	17,916	0
Technology Transfer			GFB	43.002 / 43.1215811	18,056	0
Technology Transfer			GFB	43.002 / 43.1215862	18,763	0
Technology Transfer			GFB	43.002 / 43.1217206	4,890	0
Technology Transfer			GFB	43.002 / 43.1217827	1	0
Technology Transfer			GFB	43.002 / 43.1217897	183,534	0
Technology Transfer			GFB	43.002 / 43.1218132	58,334	0
Technology Transfer			GFB	43.002 / 43.1218134	13,686	0
Technology Transfer			GFB	43.002 / 43.1218554	1,857	0
Technology Transfer			GFB	43.002 / 43.1218557	15,072	0
Technology Transfer			GFB	43.002 / 43.1221094	45,141	0
Technology Transfer			GFB	43.002 / 43.1221120	49,182	0
Technology Transfer			GFB	43.002 / 43.1223196	98,705	0
Technology Transfer			GFB	43.002 / 43.1223532	61,850	0
Technology Transfer			GFB	43.002 / 43.1225108	20,643	0
Technology Transfer			GFB	43.002 / 43.1225700	27,334	0
Technology Transfer			GFB	43.002 / 43.1226217	36,762	0
Technology Transfer			GFB	43.002 / 43.1226469	(4,349)	0
Technology Transfer			GFB	43.002 / 43.1226552	9,153	0
Technology Transfer			GFB	43.002 / 43.1227053	96,000	0
Technology Transfer			GFB	43.002 / 43.1229475	13,260	0
Technology Transfer			GFB	43.002 / 43.1229481	29,081	0
Technology Transfer			GFB	43.002 / 43.1230859	91,642	0
Technology Transfer			GFB	43.002 / 43.1231338	98,859	0
Technology Transfer			GFB	43.002 / 43.1231731	92,199	10,001
Technology Transfer			GFB	43.002 / 43.1232241	17,477	0
Technology Transfer			GFB	43.002 / 43.1234181	129,569	50,269
Technology Transfer			GFB	43.002 / 43.1238953	182,462	0
Technology Transfer			GFB	43.002 / 43.1239003	32,281	0
Technology Transfer			GFB	43.002 / 43.1239703	60,529	0
Technology Transfer			GFB	43.002 / 43.1241698	13,712	0
Technology Transfer			GFB	43.002 / 43.958675	78,671	0
Technology Transfer			GFB	43.002 / 43.960378	(87)	0
Technology Transfer			GFB	43.002 / 43.960670	(51)	0
Technology Transfer			GFB	43.002 / 43.961102	(5)	0
Technology Transfer			GFB	43.002 / 43.961196	614,144	72,963
Technology Transfer			GFB	43.002 / 43.961226	76,159	0
Technology Transfer			GFB	43.002 / 43.961452	142,843	0
Technology Transfer			GFB	43.002 / 43.961495	49,138	0
Technology Transfer			GFB	43.002 / 43.961567	(7)	0
Technology Transfer			GFB	43.002 / 43.JPL #959550	7,514	0
Technology Transfer			GFB	43.002 / 43.JPL 957488	(667)	0
Technology Transfer			GFB	43.002 / 43.JPL 958126	(1,712)	0
Technology Transfer			GFB	43.002 / 43.JPL-957571	21,119	0
R&D			GLA	43.JPL NASA T/O 10442	28,214	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY		NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY		INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME						
JOHNS HOPKINS UNIVERSITY	Technology Transfer		GFB	43.002 / 43.2430-60020	395,230	0
Technology Transfer			GFB	43.002 / 43.2450-60018	72,044	0
Technology Transfer			GFB	43.002 / 43.774017	430,740	58,240
Technology Transfer			GFB	43.002 / 43.824878	2,401,994	49,058
Technology Transfer			GFB	43.002 / 43.8601-02305	8,747	0
LOCKHEED MARTIN	Technology Transfer		GFB	43.002 / 43.RF9-116303	174	0
Technology Transfer			GFB	43.002 / 43.RF9-116368	(1,751)	0
R&D			GLA	43.NAS8-00126	10,750	0
LOCKHEED MARTIN ASTRONAUTICS	R&D		GLA	43.RF1-121275	38,578	0
NORTHWEST RESEARCH ASSOCIATES INC	Technology Transfer		GFB	43.002 / 43.NWRA-99-S-045	17,543	0
OWEN RESEARCH, INC.	Technology Transfer		GFB	43.002 / 43.101	2,582	0
SIMPSON WEATHER ASSOCIATES, INC.	Technology Transfer		GFB	43.002 / 43.SW A01-006	39,591	0
SOUTH DAKOTA SCHOOL OF MINES AND TECHNOLOGY	Technology Transfer		GFB	43.002 / 43.SDSMT-UCB 00-13	43,059	0
SOUTHWEST RESEARCH INSTITUTE	Technology Transfer		GFB	43.002 / 43.278985Q	12,530	0
SPACE HARDWARE OPTIMIZATION TECHNOLOGY INC	Technology Transfer		GFB	43.002 / 43.AGREE/SEPARATOR	(10,700)	0
SPACE TELESCOPE SCIENCE INSTITUTE	Aerospace Education Services Program		GFB	43.001 / 43.HST-HF-01132.01-A	72,003	0
Technology Transfer			GFB	43.002 / 43.GO-08281.02-97A	8,030	0
Technology Transfer			GFB	43.002 / 43.GO-08323.01-97A	1,387	0
Technology Transfer			GFB	43.002 / 43.GO-06065.02-94A	(90)	0
Technology Transfer			GFB	43.002 / 43.GO-06832.01-95A	8,403	0
Technology Transfer			GFB	43.002 / 43.GO-07340.01-96A	3,840	0
Technology Transfer			GFB	43.002 / 43.GO-07437.03-96A	8,708	0
Technology Transfer			GFB	43.002 / 43.GO-08125.01-97A	49,867	0
Technology Transfer			GFB	43.002 / 43.GO-08152.02-97A	2,360	0
Technology Transfer			GFB	43.002 / 43.GO-08157.02-97A	6,923	0
Technology Transfer			GFB	43.002 / 43.GO-08169.01-97A	24,269	0
Technology Transfer			GFB	43.002 / 43.HST-AR-06387.01-A	2,874	0
Technology Transfer			GFB	43.002 / 43.HST-AR-07997.01-A	7,135	0
Technology Transfer			GFB	43.002 / 43.HST-AR-08747.02A	11,923	0
Technology Transfer			GFB	43.002 / 43.HST-AR-09221.01-A	43,921	0
Technology Transfer			GFB	43.002 / 43.HST-AR-09516.01-A	1,603	0
Technology Transfer			GFB	43.002 / 43.HST-GO-05398.01-A	1,650	0
Technology Transfer			GFB	43.002 / 43.HST-GO-05504.07-A	8,455	0
Technology Transfer			GFB	43.002 / 43.HST-GO-06593.01-A	24,823	0
Technology Transfer			GFB	43.002 / 43.HST-GO-06783.01-A	3,382	0
Technology Transfer			GFB	43.002 / 43.HST-GO-06824.01-A	511	0
Technology Transfer			GFB	43.002 / 43.HST-GO-06825.01-A	8,518	0
Technology Transfer			GFB	43.002 / 43.HST-GO-07262.01-A	11,895	0
Technology Transfer			GFB	43.002 / 43.HST-GO-07269.01-A	(167)	0
Technology Transfer			GFB	43.002 / 43.HST-GO-07344.01-A	410	0
Technology Transfer			GFB	43.002 / 43.HST-GO-07367.01-A	16,129	0
Technology Transfer			GFB	43.002 / 43.HST-GO-07368.01-A	819	0
Technology Transfer			GFB	43.002 / 43.HST-GO-07381.01-A	120	0
Technology Transfer			GFB	43.002 / 43.HST-GO-07448.01-A	(10,921)	0
Technology Transfer			GFB	43.002 / 43.HST-GO-08178.01-A	25,055	0
Technology Transfer			GFB	43.002 / 43.HST-GO-08182.01-A	860	0
Technology Transfer			GFB	43.002 / 43.HST-GO-08237.01-A	15,823	0
Technology Transfer			GFB	43.002 / 43.HST-GO-08257.01-A	9,875	0
Technology Transfer			GFB	43.002 / 43.HST-GO-08277.01-A	14,710	0
Technology Transfer			GFB	43.002 / 43.HST-GO-08280.01-A	51,825	0
Technology Transfer			GFB	43.002 / 43.HST-GO-08324.01-A	2,142	0
Technology Transfer			GFB	43.002 / 43.HST-GO-08571.01-A	4,110	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY		NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY		INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME						
Technology Transfer		GFB	43.002 / 43.HST-GO-08577.04-A		10.503	0
Technology Transfer		GFB	43.002 / 43.HST-GO-08580.16-A		6.331	0
Technology Transfer		GFB	43.002 / 43.HST-GO-08614.02-A		4.732	0
Technology Transfer		GFB	43.002 / 43.HST-GO-08623.01-A		18.090	0
Technology Transfer		GFB	43.002 / 43.HST-GO-08648.08-A		24.439	0
Technology Transfer		GFB	43.002 / 43.HST-GO-08653.02-A		28.070	0
Technology Transfer		GFB	43.002 / 43.HST-GO-08880.04-A		2.977	0
Technology Transfer		GFB	43.002 / 43.HST-GO-08889.01-A		11.567	0
Technology Transfer		GFB	43.002 / 43.HST-GO-09109.01-A		17.153	0
Technology Transfer		GFB	43.002 / 43.HST-GO-09114.08-A		9.569	0
Technology Transfer		GFB	43.002 / 43.HST-GO-09125.01-A		2.546	0
Technology Transfer		GFB	43.002 / 43.HST-GO-09135.02-A		5.146	0
Technology Transfer		GFB	43.002 / 43.HST-GO-09273.01-A		1.645	0
Technology Transfer		GFB	43.002 / 43.HST-GO-09507.41-A		3.964	0
Technology Transfer		GFB	43.002 / 43.HST-HF-01113.01-A		815	0
STANFORD UNIVERSITY						
Technology Transfer		GFB	43.002 / 43.PR6331		(534)	0
Technology Transfer		GFB	43.002 / 43.PY-0036		68.726	0
STRATTON PARK ENGINEERING COMPANY INC						
Technology Transfer		GFB	43.002 / 43.PO# 02-0130PA		9.594	0
TELOS CORPORATION						
Technology Transfer		GFB	43.002 / 43.TIS-5025		(8.035)	0
THE BIONETICS CORPORATION						
Technology Transfer		GFB	43.002 / 43.S-NAS10-001		66.561	0
UNIVERSITIES SPACE RESEARCH						
R&D		GLA	43.NAS1-97046		6.923	0
UNIVERSITIES SPACE RESEARCH ASSOCIATION						
Technology Transfer		GFB	43.002 / 43.07600-031		(1.641)	0
Technology Transfer		GFB	43.002 / 43.07600-038		93.939	223.003
Technology Transfer		GFB	43.002 / 43.1500-01		16.126	0
Technology Transfer		GFB	43.002 / 43.550-86		15.427	0
UNIVERSITY OF ALASKA						
Technology Transfer		GFB	43.002 / 43.FP002939		1.542	0
UNIVERSITY OF ARIZONA						
Technology Transfer		GFB	43.002 / 43.PO#Y502199		57.637	0
UNIVERSITY OF CALIFORNIA AT SANTA BARBARA						
Technology Transfer		GFB	43.002 / 43.KK2109		33.160	0
Technology Transfer		GFB	43.002 / 43.KK8013		1.775	0
UNIVERSITY OF CALIFORNIA BERKLEY						
Technology Transfer		GFB	43.002 / 43.SA2087-26310		(151)	0
Technology Transfer		GFB	43.002 / 43.SA2204-23899PG		44.481	0
Technology Transfer		GFB	43.002 / 43.SA2375-26310		(2)	0
Technology Transfer		GFB	43.002 / 43.SA2543-23239		156.726	0
UNIVERSITY OF CHICAGO						
Technology Transfer		GFB	43.002 / 43.SUB.NCCS5-151		(1.192)	0
UNIVERSITY OF DENVER						
Technology Transfer		GFB	43.002 / 43.PO 82193-S		1.076	0
UNIVERSITY OF MARYLAND BALTIMORE COUNTY						
Technology Transfer		GFB	43.002 / 43.CG0041		852	0
UNIVERSITY OF MARYLAND COLLEGE						
Aerospace Education Services Program		GFC	43.001 / 43.Z353701		571	0
UNIVERSITY OF MARYLAND COLLEGE PARK						
Technology Transfer		GFB	43.002 / 43.Z628303		250	0
Technology Transfer		GFB	43.002 / 43.Z641201		(12.897)	0
Technology Transfer		GFB	43.002 / 43.Z667102		70.059	0
Technology Transfer		GFB	43.002 / 43.Z678501		44.251	0
UNIVERSITY OF MINNESOTA						
Technology Transfer		GFB	43.002 / 43.R5336369101		(782)	0
UNIVERSITY OF TEXAS AT AUSTIN						
Technology Transfer		GFB	43.002 / 43.UTA98-0205		(698)	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
UNIVERSITY OF UTAH						
Technology Transfer		GFB	43.002 / 43.2005029/PO#104943		43,703	0
Technology Transfer		GFB	43.002 / 43.9903061/PO 105811		28,086	0
UNIVERSITY OF VIRGINIA						
Technology Transfer		GFB	43.002 / 43.5-28590		4	0
Technology Transfer		GFB	43.002 / 43.5-28646		(970)	0
UNIVERSITY OF WASHINGTON						
Technology Transfer		GFB	43.002 / 43.711568		26,566	0
Univ. of California at Santa Barbara						
R&D		GGB	43.KK8023 MOD #03		(1,420)	0
University of Nebraska						
Technology Transfer		GGB	43.002 / 43.25-6238-0041-002 AME		38,447	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					9,731,663	795,953
SUBTOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					48,750,470	10,804,355
SUBTOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					48,750,470	10,804,355
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NATIONAL ENDOWMENT FOR THE HUMANITIES						
INSTITUTE OF MUSEUM AND LIBRARY SERVICES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES						
PASS-THROUGH PROGRAMS FROM:						
UNIVERSITY OF DENVER						
Institute of Museum and Library Services: National Leadership Grants		GLA	45.312 / 45.LL-90094-99		2,499	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					2,499	0
SUBTOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES					2,499	0
NATIONAL ENDOWMENT FOR THE ARTS, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES						
DIRECT FROM:						
NATIONAL ENDOWMENT FOR THE ARTS, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES						
Promotion of the Arts: Grants to Organizations and Individuals		GGB	45.024		1,563	0
SUBTOTAL DIRECT FROM:					1,563	0
SUBTOTAL NATIONAL ENDOWMENT FOR THE ARTS, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES					1,563	0
SUBTOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES					4,062	0
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NATIONAL SCIENCE FOUNDATION						
NATIONAL SCIENCE FOUNDATION						
DIRECT FROM:						
NATIONAL SCIENCE FOUNDATION						
Engineering Grants		GFB	47.041		4,382,234	104,539
Engineering Grants		GFC	47.041		33,172	0
Engineering Grants		GFD	47.041		55,741	0
Engineering Grants		GFE	47.041		92,987	0
Engineering Grants		GGB	47.041		1,161,882	1,934
Engineering Grants		GLA	47.041 / 47.BES-0122264		39,543	0
Engineering Grants		GLA	47.041 / 47.BES-0124821		18,619	0
Engineering Grants		GLA	47.041 / 47.BES-9870561		(1,504)	0
Engineering Grants		GLA	47.041 / 47.CMS-0085272		5,475	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY		NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY		INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME						
Engineering Grants		GLA	47.041	/ 47.CMS-0221484	2,328	0
Engineering Grants		GLA	47.041	/ 47.CMS-9502409	2,791	0
Engineering Grants		GLA	47.041	/ 47.CMS-9877189	62,477	0
Engineering Grants		GLA	47.041	/ 47.CTS-0072967	126,324	0
Engineering Grants		GLA	47.041	/ 47.CTS-0093611	62,456	0
Engineering Grants		GLA	47.041	/ 47.CTS-0093998	53,192	0
Engineering Grants		GLA	47.041	/ 47.CTS-0097841	81,199	0
Engineering Grants		GLA	47.041	/ 47.CTS-9601964	90,553	0
Engineering Grants		GLA	47.041	/ 47.CTS-9711889	8,522	0
Engineering Grants		GLA	47.041	/ 47.DMI-0094011	35,146	0
Engineering Grants		GLA	47.041	/ 47.DMI-0116753	77,739	0
Engineering Grants		GLA	47.041	/ 47.DMI-9900053	68,168	0
Engineering Grants		GLA	47.041	/ 47.DMI-9978676	71,853	0
Engineering Grants		GLA	47.041	/ 47.ECS-0134130	24,832	0
Engineering Grants		GLA	47.041	/ 47.ECS-0134132	30,557	0
Engineering Grants		GLA	47.041	/ 47.EEC-0002918	7,550	0
Engineering Grants		GLA	47.041	/ 47.EEC-9700775	30,982	0
Engineering Grants		GLA	47.041	/ 47.EEC-9729255	37,919	0
Mathematical and Physical Sciences		GFB	47.049		8,695,812	101,750
Mathematical and Physical Sciences		GFC	47.049		270,512	0
Mathematical and Physical Sciences		GFD	47.049		193,161	0
Mathematical and Physical Sciences		GFE	47.049		43,545	0
Mathematical and Physical Sciences		GGB	47.049		2,831,136	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.DMR-0081183	43,071	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.DMR-0103385	47,109	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.DMR-0103945	25,304	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.DMR-0208673	20,074	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.DMR-9625293	13,829	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.DMR-9704780	35,600	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.DMR-9985178	77,817	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.DMS-0121301	23,541	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.DMS-9912293	50,948	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.PHY-0075077	33,420	0
Mathematical and Physical Sciences		GLA	47.049	/ 47.PHY-0078610	56,236	0
Geosciences		GFB	47.050		7,798,484	448,486
Geosciences		GFD	47.050		7,356	0
Geosciences		GGB	47.050		4,340,750	58,049
Geosciences		GKA	47.050	/ 47.ATM-0105279	85,492	0
Geosciences		GLA	47.050	/ 47.EAR-0003470	25,676	0
Geosciences		GLA	47.050	/ 47.EAR-0073763	13,442	20,771
Geosciences		GLA	47.050	/ 47.EAR-0106668	30,352	0
Geosciences		GLA	47.050	/ 47.EAR-0107095	73,335	0
Geosciences		GLA	47.050	/ 47.EAR-0111804	22,390	0
Geosciences		GLA	47.050	/ 47.EAR-0117000	30,138	0
Geosciences		GLA	47.050	/ 47.EAR-9908971	57,407	0
Geosciences		GLA	47.050	/ 47.EAR-9909477	106,716	0
Geosciences		GLA	47.050	/ 47.EAR-9985234	87,754	4,000
Geosciences		GKA	47.050	/ 47.GEO-0122026	13,912	0
Computer and Information Science and Engineering		GFB	47.070		2,915,977	709,835
Computer and Information Science and Engineering		GFE	47.070		48,011	0
Computer and Information Science and Engineering		GGB	47.070		148,916	0
Computer and Information Science and Engineering		GLA	47.070	/ 47.ANI-0073699	12,817	0
Computer and Information Science and Engineering		GLA	47.070	/ 47.CCR-9901929	84,820	0
Computer and Information Science and Engineering		GLA	47.070	/ 47.CCR-9988338	73,744	0
Biological Sciences		GFB	47.074		2,257,713	31,332
Biological Sciences		GFD	47.074		131,630	0
Biological Sciences		GFE	47.074		570,393	0
Biological Sciences		GGB	47.074		4,718,972	246,415
Biological Sciences		GKA	47.074	/ 47.DEB-9815925	56,636	8,237
Biological Sciences		GKA	47.074	/ 47.MCB-9904006	55,272	0
Social, Behavioral, and Economic Sciences		GFB	47.075		2,103,275	166,436
Social, Behavioral, and Economic Sciences		GFC	47.075		33,171	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
	Social, Behavioral, and Economic Sciences					GFD	47.075	117,949	0
	Social, Behavioral, and Economic Sciences					GFE	47.075	40,902	0
	Social, Behavioral, and Economic Sciences					GGB	47.075	326,300	52,113
	Social, Behavioral, and Economic Sciences					GLA	47.075 / 47.INT-0106665	2,030	0
	Social, Behavioral, and Economic Sciences					GKA	47.075 / 47.SES-9973402	10,556	0
	Education and Human Resources					GFB	47.076	2,301,374	466,161
	Education and Human Resources					GFC	47.076	50	0
	Education and Human Resources					GGB	47.076	350,638	149,455
	Education and Human Resources					GKA	47.076 / 47.DGE-0203225	18,601	0
	Education and Human Resources					GLA	47.076 / 47.DUE-0126306	690	0
	Education and Human Resources					GLA	47.076 / 47.DUE-0127806	14,320	0
	Education and Human Resources					GLA	47.076 / 47.DUE-9952775	43,326	0
	Education and Human Resources					GGH	47.076 / 47.DUE-9980815	11,674	0
	Education and Human Resources					GLA	47.076 / 47.DUE-9980866	25,988	0
	Education and Human Resources					GLA	47.076 / 47.DUE-9987037	86,130	0
	Education and Human Resources					GLA	47.076 / 47.HRD-9979444	3,950	0
	Polar Programs (B) -					GFB	47.078	2,338,548	820,158
	R&D					GLA	47.ANI-9996156	41,996	0
	R&D					GGB	47.ATM-0003171	119,307	0
	R&D					GLA	47.BES-9905569	14,475	0
	R&D					GLA	47.BES-9977708	49,446	0
	R&D					GLA	47.CHE-9977633	(331)	0
	R&D					GLA	47.CMS-9713442	462	0
	R&D					GLA	47.CTS-9512228	17,100	0
	R&D					GLA	47.CTS-9734136	65,567	0
	R&D					GLA	47.DAM-9876135	56,135	0
	R&D					GLA	47.DGE-9554559	223	0
	R&D					GGB	47.DGE-9616044 005	30,584	0
	R&D					GGB	47.DMR-0091639	3,244	0
	R&D					GLA	47.DMR-9704780	461	0
	R&D					GLA	47.DMR-9870265	93,166	0
	R&D					GLA	47.DMR-9985221	73,392	0
	R&D					GLA	47.DMS-9805827	61,903	0
	R&D					GLA	47.DMS-9872005	(1,074)	0
	R&D					GLA	47.DMW-9973393	62,406	0
	R&D					GLA	47.DUE-0004087	17,185	0
	R&D					GLA	47.DUE-0296002	33,022	0
	R&D					GLA	47.DUE-9850556	22,895	0
	R&D					GLA	47.DUE-9950910	16,883	0
	R&D					GLA	47.EEC-9523662	5,775	0
	R&D					GLA	47.ESI-0004386	15,327	0
	R&D					GLA	47.HRD-0080669	23,595	0
	R&D					GGB	47.IBN-0090400	15,029	0
	R&D					GGB	47.IBN-0091976 AMEND 002	127,947	0
	R&D					GGB	47.IBN-0105046	2,894	0
	R&D					GLA	47.KMD5270-3-13/SUB	19,664	0
	R&D					GGB	47.OPP-0196345	139,544	0
	R&D					GGB	47.OPP-0196518 AMD 001	48,884	0
	R&D					GGB	47.PHY-9732498 AMD 004	5,268	0
	SUBTOTAL DIRECT FROM:							51,903,803	3,389,671
	PASS-THROUGH PROGRAMS FROM:								
	ALASKA PACIFIC UNIVERSITY								
	R&D					GLA	47.NOT GIVEN	13,019	0
	AMERICAN ECONOMIC ASSOCIATION								
	Social, Behavioral, and Economic Sciences					GFD	47.075 / 47.SES-9619670-004	24,072	0
	Education and Human Resources					GFD	47.076 / 47.SUMMER PROGRAM	61,403	0
	AMERICAN MUSEUM OF NATURAL HISTORY								
	Biological Sciences					GFB	47.074 / 47.09-2002	4,749	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
ARIZONA STATE UNIVERSITY					
Engineering Grants		GFB	47.041 / 47.KMD5270-25-30	378	0
Engineering Grants		GFB	47.041 / 47.KMD5270-25-32/SUB	1,962	0
Mathematical and Physical Sciences		GFB	47.049 / 47.KMD5270-25-31	378	0
Biological Sciences		GFB	47.074 / 47.00-134	13,702	0
Education and Human Resources		GFD	47.076 / 47.KMD5270-33-3/SUB	378	0
Education and Human Resources		GFD	47.076 / 47.KMD5270-33-4/SUB	481	0
BELOIT COLLEGE					
Social, Behavioral, and Economic Sciences		GFB	47.075 / 47.DUE-9455918(NSF)	85,083	0
BOSTON UNIVERSITY					
Geosciences		GFB	47.050 / 47.165874	62,864	0
CARNEGIE MELLON UNIVERSITY					
Mathematical and Physical Sciences		GFB	47.049 / 47.543072-55801	56,773	0
COLUMBIA UNIVERSITY					
Engineering Grants		GFB	47.041 / 47.CMS-0084727	8,101	0
GRINNELL COLLEGE					
Social, Behavioral, and Economic Sciences		GFB	47.075 / 47.NSF PR REC-0087611	212,846	0
Harvard University					
Mathematical and Physical Sciences		GGB	47.049 / 47.99018203	48,475	0
INTERNATIONAL COMPUTER SCIENCE INSTITUTE					
Computer and Information Science and Engineering		GFB	47.070 / 47.376-01	34,055	0
Computer and Information Science and Engineering		GFB	47.070 / 47.NSF IRI-9618838	(967)	0
INTERNET2					
Geosciences		GFB	47.050 / 47.OCG4442B	2,760	0
ITN ENERGY SYSTEMS					
R&D		GLA	47.DMI-0110486	57,584	0
Iowa State University					
R&D		GGB	47.404-20-61	15,946	0
MASSACHUSETTS INSTITUTE OF TECHNOLOGY					
Geosciences		GFB	47.050 / 47.5710001167	26,800	0
MICHIGAN STATE UNIVERSITY					
Social, Behavioral, and Economic Sciences		GFB	47.075 / 47.632590	122,270	0
Montana State University					
Social, Behavioral, and Economic Sciences		GGB	47.075 / 47.GC010-01-21303	75,106	0
NATIONAL RESEARCH COUNCIL					
Social, Behavioral, and Economic Sciences		GFC	47.075	3,595	0
NORTHEASTERN UNIVERSITY					
Computer and Information Science and Engineering		GFB	47.070 / 47.530440 - P106062	43,744	0
NORTHERN ARIZONA UNIVERSITY					
Biological Sciences		GFB	47.074 / 47.OCG4274B	9,073	0
NORTHWEST RESEARCH ASSOCIATES INC					
Engineering Grants		GFB	47.041 / 47.NWRA-01-S-058	38,739	0
Mathematical and Physical Sciences		GFB	47.049 / 47.NWRA-99-S-038	3,333	0
National Research Council					
Social, Behavioral, and Economic Sciences		GGB	47.075 / 47.124503	2,230	0
OHIO STATE UNIVERSITY					
Geosciences		GFB	47.050 / 47.739204	185,782	4,552
Geosciences		GFB	47.050 / 47.RF00917777	19,967	0
Polar Programs (B) -		GFB	47.078 / 47.735612	1,505	0
Ohio State University					
Geosciences		GGB	47.050 / 47.RF 847415/ RF 0091516	104,258	0
PORTLAND STATE UNIVERSITY					
Computer and Information Science and Engineering		GFB	47.070 / 47.NSF#EIA-0085952	29,408	0
PURDUE UNIVERSITY					
Mathematical and Physical Sciences		GFB	47.049 / 47.503-1384-1	15,793	0
Purdue University					
Computer and Information Science and Engineering		GGB	47.070 / 47.501-0508-01	30,660	0
RESEARCH TRIANGLE INSTITUTE					
Computer and Information Science and Engineering		GFE	47.070 / 47.RTI 1-81U-8248	12,977	0
RUTGERS UNIVERSITY					
Geosciences		GFB	47.050 / 47.#1232	9,944	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS	
RXKINETIX INC		GFB	47.041 / 47.PO# 8673	(8.941)	0	
Engineering Grants						
SAN DIEGO STATE UNIVERSITY FOUNDATION		GFB	47.076 / 47.#52270AP16237802211	13.256	0	
Education and Human Resources						
SRI INTERNATIONAL		GFB	47.041 / 47.17-000245	(14.947)	0	
Engineering Grants		GFB	47.041 / 47.17-000359	(607)	0	
Engineering Grants		GFB	47.041 / 47.SUB/REC 9804930	(40)	0	
ST JOSEPH'S UNIVERSITY		GLA	47.076 / 47.DUE-0126833	458	0	
Education and Human Resources						
STATE UNIVERSITY NEW YORK AT STONY BROOK		GFB	47.050 / 47.431-3860A	109.460	0	
Geosciences						
TEXAS A&M REESARCH FOUNDATION		GFB	47.050 / 47.F000906 & F000941	(411)	0	
Geosciences		GFB	47.050 / 47.F001501/418929-BA26	17.094	0	
Geosciences						
TEXAS A&M RESEARCH FOUNDATION		GLA	47.050 / 47.OCE-9320477 SUB 8-94	10.774	0	
Geosciences						
THE COLLEGE OF WILLIAM AND MARY		GFB	47.075 / 47.W&M-310941	(211)	0	
Social, Behavioral, and Economic Sciences						
Texas Tech University		GGB	47.041 / 47.1316/0800-01 MOD 01	4.055	0	
Engineering Grants						
UCAR		GLA	47.ATM-9732665	70.853	0	
R&D						
UCAR-NCAR-COMET Atmospheric Tech. Divis.		GGB	47.S01-24245	7.218	0	
R&D						
UNIV OF WISCONSIN MADISON		GLA	47.078 / 47.OPP-0003289	7.049	0	
Polar Programs (B) -						
UNIV. OF ILLINOIS-SPRINGFIELD		GLA	47.076 / 47.DUE-9952841	27.064	0	
Education and Human Resources						
UNIVERSITY CORP. FOR ATMOSPHERIC RESEARCH		GFB	47.041 / 47.S00-19302	(17.915)	0	
Engineering Grants		GFB	47.041 / 47.S01-30958	145.295	0	
Engineering Grants		GFB	47.041 / 47.S98-95031	125	0	
Engineering Grants		GFD	47.049 / 47.S99-17969	3.374	0	
Mathematical and Physical Sciences		GFB	47.050 / 47.S01-13250	8.335	0	
Geosciences		GFB	47.076 / 47.S01-36444	23.251	0	
Education and Human Resources		GFB	47.076 / 47.S02-38682	4.354	0	
Education and Human Resources						
UNIVERSITY OF ALABAMA		GFB	47.049 / 47.OPP-9810219	(35)	0	
Mathematical and Physical Sciences		GFB	47.050 / 47.47.049/OPP-9813061	(43)	0	
Geosciences						
UNIVERSITY OF ALASKA		GFB	47.049 / 47.UAF00-0085/FP101067	55.243	0	
Mathematical and Physical Sciences		GFB	47.050 / 47.PO#78535/UAF97-0021	(1.810)	0	
Geosciences		GFB	47.078 / 47.UAF 02-0025	107.568	0	
Polar Programs (B) -						
UNIVERSITY OF ARIZONA		GFB	47.049 / 47.Y501756	11.297	0	
Mathematical and Physical Sciences						
UNIVERSITY OF CALIFORNIA BERKLEY		GFB	47.049 / 47.SA2384JB	74.556	0	
Mathematical and Physical Sciences		GFB	47.075 / 47.SA2174JB	19.368	0	
Social, Behavioral, and Economic Sciences						
UNIVERSITY OF CALIFORNIA RIVERSIDE		GFB	47.041 / 47.ATM-0049007	7.032	0	
Engineering Grants						
UNIVERSITY OF DELAWARE		GFB	47.050 / 47.B-444160	836	0	
Geosciences						
UNIVERSITY OF GEORGIA		GFB	47.049 / 47.RR185-259/7607104	29.873	0	
Mathematical and Physical Sciences						
UNIVERSITY OF IOWA		GFB	47.041 / 47.4000064934	37.395	0	
Engineering Grants						
UNIVERSITY OF MASSACHUSETTS		GFB	47.070 / 47.01S058/22532M276150	62.424	0	
Computer and Information Science and Engineering						
UNIVERSITY OF MINNESOTA		GFB	47.050 / 47.T524673001	23.972	0	
Geosciences						

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY		NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY		INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME						
UNIVERSITY OF NEW MEXICO			GFB	47.041 / 47.3-19122-7810	43,016	0
Engineering Grants			GFB	47.050 / 47.3-18131-7820	8,497	0
Geosciences			GFB	47.050 / 47.SUBGRANT 203361A	553	0
UNIVERSITY OF OREGON			GLA	47.DUE-012520	3,788	0
Geosciences			GLA	47.EEC-9872498	68,995	0
UNIVERSITY OF PITTSBURGH			GFB	47.050 / 47.699717	10,540	0
R&D			GFB	47.050 / 47.PO 042831	34,458	0
R&D			GFB	47.050 / 47.DMR-0103399	867	0
UNIVERSITY OF SOUTHERN CALIFORNIA			GFB	47.049 / 47.UTA01-486	43,905	0
Geosciences			GFB	47.074 / 47.DEB-0089600	5,555	0
Geosciences			GFB	47.050 / 47.NSFLOC4800/4802SUBC	17,022	0
UNIVERSITY OF TENNESSEE			GFB	47.041 / 47.EAR-9720134	5,404	0
Mathematical and Physical Sciences			GFB	47.075 / 47.C027432	248	0
UNIVERSITY OF TEXAS AT AUSTIN			GFB	47.041 / 47.EAR-9720134	5,404	0
Mathematical and Physical Sciences			GFB	47.075 / 47.C027432	248	0
UNIVERSITY OF WISCONSIN			GFB	47.041 / 47.EAR-9720134	5,404	0
Biological Sciences			GFB	47.075 / 47.C027432	248	0
UNIVERSITY OF WYOMING			GFB	47.041 / 47.EAR-9720134	5,404	0
Geosciences			GFB	47.075 / 47.C027432	248	0
UTAH STATE UNIVERSITY			GFB	47.041 / 47.EAR-9720134	5,404	0
Engineering Grants			GFB	47.075 / 47.C027432	248	0
Social, Behavioral, and Economic Sciences			GFB	47.041 / 47.EAR-9720134	5,404	0
Univ of Wisc			GFB	47.075 / 47.C027432	248	0
R&D			GFB	47.041 / 47.EAR-9720134	5,404	0
University of Alaska at Fairbanks			GFB	47.075 / 47.C027432	248	0
Polar Programs (B) -			GFB	47.041 / 47.EAR-9720134	5,404	0
Polar Programs (B) -			GFB	47.075 / 47.C027432	248	0
University of California at Davis			GFB	47.041 / 47.EAR-9720134	5,404	0
Biological Sciences			GFB	47.075 / 47.C027432	248	0
University of Hawaii			GFB	47.041 / 47.EAR-9720134	5,404	0
Biological Sciences			GFB	47.075 / 47.C027432	248	0
University of Puerto Rico			GFB	47.041 / 47.EAR-9720134	5,404	0
Biological Sciences			GFB	47.075 / 47.C027432	248	0
University of Wyoming			GFB	47.041 / 47.EAR-9720134	5,404	0
R&D			GFB	47.075 / 47.C027432	248	0
WOODS HOLE RESEARCH CENTER			GFB	47.041 / 47.EAR-9720134	5,404	0
Geosciences			GFB	47.075 / 47.C027432	248	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					2,766,211	4,552
SUBTOTAL NATIONAL SCIENCE FOUNDATION					54,670,014	3,394,223
SUBTOTAL NATIONAL SCIENCE FOUNDATION					54,670,014	3,394,223
-----						
SMALL BUSINESS ADMINISTRATION						
SMALL BUSINESS ADMINISTRATION						
PASS-THROUGH PROGRAMS FROM:						
IMMUSOL, INC			GFE	59.011 / 59.IMMUSOL PN9910 103	6,813	0
Small Business Investment Companies					6,813	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					6,813	0
SUBTOTAL SMALL BUSINESS ADMINISTRATION					6,813	0
SUBTOTAL SMALL BUSINESS ADMINISTRATION					6,813	0
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<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
SMITHSONIAN INSTITUTE									
DIRECT FROM:									
	SMITHSONIAN INSTITUTE		R&D			GFB	60.SMTH-IN	619,416	0
SUBTOTAL DIRECT FROM:								619,416	0
SUBTOTAL SMITHSONIAN INSTITUTE								619,416	0
SUBTOTAL								619,416	0
-----									
TENNESSEE VALLEY AUTHORITY									
TENNESSEE VALLEY AUTHORITY									
DIRECT FROM:									
	TENNESSEE VALLEY AUTHORITY		TVA Energy Research and Technology Applications			GFB	62.001	365,600	0
SUBTOTAL DIRECT FROM:								365,600	0
SUBTOTAL TENNESSEE VALLEY AUTHORITY								365,600	0
SUBTOTAL TENNESSEE VALLEY AUTHORITY								365,600	0
-----									
DEPARTMENT OF VETERANS AFFAIRS									
VETERANS BENEFITS ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS									
DIRECT FROM:									
	VETERANS BENEFITS ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS		Automobiles and Adaptive Equipment for Certain Disabled Veterans and Members of the Armed Forces			GFD	64.100	9,862	0
SUBTOTAL DIRECT FROM:								9,862	0
SUBTOTAL VETERANS BENEFITS ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS								9,862	0
VETERANS HEALTH ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS									
DIRECT FROM:									
	VETERANS HEALTH ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS		Veterans Prosthetic Appliances			GFD	64.013	52,001	0
	Veterans Prosthetic Appliances		Sharing Specialized Medical Resources			GFE	64.018	(96,442)	0
SUBTOTAL DIRECT FROM:								(44,441)	0
SUBTOTAL VETERANS HEALTH ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS								(44,441)	0
SUBTOTAL DEPARTMENT OF VETERANS AFFAIRS								(34,579)	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
ENVIRONMENTAL PROTECTION AGENCY					
ENVIRONMENTAL PROTECTION AGENCY					
DIRECT FROM:					
ENVIRONMENTAL PROTECTION AGENCY					
R&D		GLA	66.2W-1284-NAEX	21,273	0
Surveys, Studies, Investigations and Special Purpose Grants (B) -		GFB	66.606	35,403	0
Surveys, Studies, Investigations and Special Purpose Grants (B) -		GFD	66.606	23,428	0
Surveys, Studies, Investigations and Special Purpose Grants (B) -		GGB	66.606	184,540	123,745
Surveys, Studies, Investigations and Special Purpose Grants (B) -		GLA	66.606 / 66.X-98823501	6,650	40,932
Surveys, Studies, Investigations and Special Purpose Grants (B) -		GLA	66.606 / 66.X-98859301-0	2,300	0
R&D		GLA	66.9L-1176-NTEX	1,396	0
R&D		GLA	66.MM-98830801-0	11,070	0
R&D		GLA	66.Ow-1552-NAEA	6,182	0
R&D		GGB	66.R 826131-01-0	36,733	0
R&D		GGB	66.R 827449-01-0	219,989	0
R&D		GGB	66.R-82861001-0	218,837	0
R&D		GGB	66.R-82951501-0	29,426	3,928
R&D		GGB	66.X-82883601-1	450,835	0
R&D		GGB	66.X-98834601-0	11,056	0
SUBTOTAL DIRECT FROM:				1,259,118	168,605
PASS-THROUGH PROGRAMS FROM:					
ARIZONA STATE UNIVERSITY					
Surveys, Studies, Investigations and Special Purpose Grants (B) -		GLA	66.606 / 66.CX 826897-01-7	41,111	0
Battelle Memorial Institute		GGB	66.P0 170309	7,879	0
Carnegie Mellon University		GGB	66.1080004-108573	73,740	0
ECO-CYCLE INC.					
Surveys, Studies, Investigations and Special Purpose Grants (B) -		GFB	66.606 / 66.AGREEMENT0957	46,322	0
Iowa University		GGB	66.2388204	2,883	0
Kansas State University		GGB	66.S00022	91,151	0
Oregon State University		GGB	66.E0101A-A	14,203	0
University of Minnesota		GGB	66.1628-189-6191-7901	19,569	0
WASHINGTON UNIVERSITY		GLA	66.EPA C R 827881-01-0	189,968	111,774
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				486,826	111,774
SUBTOTAL ENVIRONMENTAL PROTECTION AGENCY				1,745,944	280,379
OFFICE OF ADMINISTRATION, ENVIRONMENTAL PROTECTION AGENCY					
DIRECT FROM:					
OFFICE OF ADMINISTRATION, ENVIRONMENTAL PROTECTION AGENCY					
Environmental Protection Consolidated Grants: Program Support		GFB	66.600	203	0
SUBTOTAL DIRECT FROM:				203	0
SUBTOTAL OFFICE OF ADMINISTRATION, ENVIRONMENTAL PROTECTION AGENCY				203	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

OFFICE OF AIR AND RADIATION, ENVIRONMENTAL PROTECTION AGENCY

PASS-THROUGH PROGRAMS FROM:

CARNEGIE MELLON UNIVERSITY

Air Pollution Control Program Support

GFB 66.001 / 66.1080004-107770

92.034

0

TRI-COUNTY HEALTH DEPARTMENT

Air Pollution Control Program Support

GFB 66.001 / 66.0CG4374B

53.902

0

Air Pollution Control Program Support

GFE 66.001 / 66.PN0004-025

25.287

0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

-----  
171.223

-----  
0

SUBTOTAL OFFICE OF AIR AND RADIATION, ENVIRONMENTAL PROTECTION AGENCY

-----  
171.223

-----  
0

OFFICE OF RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY

DIRECT FROM:

OFFICE OF RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY

Environmental Protection Consolidated Research

GFB 66.500

969.336

444.234

Environmental Protection Consolidated Research

GGB 66.500

840.493

147.830

Environmental Protection Consolidated Research

GLA 66.500 / 66.R 826651-01-0

67.206

46.179

Environmental Protection Consolidated Research

GLA 66.500 / 66.R 826684-01-0

70.858

0

Environmental Protection Consolidated Research

GLA 66.500 / 66.R 826733-01-0

(13.241)

0

Environmental Protection Consolidated Research

GLA 66.500 / 66.R-82951801

53.635

0

Air Pollution Control Research

GGB 66.501

(13)

0

Pesticides Control Research

GGB 66.502

49.123

0

SUBTOTAL DIRECT FROM:

-----  
2,037.397

-----  
638.243

PASS-THROUGH PROGRAMS FROM:

ARIZONA STATE UNIVERSITY

Environmental Protection Consolidated Research

GFB 66.500 / 66.99-116SG

77.869

0

HARDING ESE, INC

Environmental Protection Consolidated Research

GFB 66.500 / 66.S68098112-STEOP-701

4.905

0

KANSAS STATE UNIVERSITY

Environmental Protection Consolidated Research

GLA 66.500 / 66.R 825549-01-0

554

0

Environmental Protection Consolidated Research

GLA 66.500 / 66.R825549-01

46.347

0

SUBTOTAL PASS-THROUGH PROGRAMS FROM:

-----  
129.675

-----  
0

SUBTOTAL OFFICE OF RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY

-----  
2,167.072

-----  
638.243

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
OFFICE OF WATER, ENVIRONMENTAL PROTECTION AGENCY						
DIRECT FROM:						
OFFICE OF WATER, ENVIRONMENTAL PROTECTION AGENCY						
Water Pollution Control: State and Interstate Program Support		GFD	66.419		28.329	0
Water Quality Management Planning		GFB	66.454		3.052	13.157
Water Quality Cooperative Agreements		GGB	66.463		3.808	0
					35.189	13.157
SUBTOTAL DIRECT FROM:						
PASS-THROUGH PROGRAMS FROM:						
KEYSTONE CENTER						
Water Pollution Control: State and Interstate Program Support		GFB	66.419 / 66.0CG4399B		33.501	0
					33.501	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:						
SUBTOTAL OFFICE OF WATER, ENVIRONMENTAL PROTECTION AGENCY						
					68.690	13.157
SUBTOTAL ENVIRONMENTAL PROTECTION AGENCY						
					4.153.132	931.779
-----						
DEPARTMENT OF ENERGY						
DEPARTMENT OF ENERGY						
DIRECT FROM:						
DEPARTMENT OF ENERGY						
R&D		GLA	81.00000441-00001		18.680	0
R&D		GLA	81.19X-SW314C		78.999	0
R&D		GLA	81.4000000800		132	0
R&D		GLA	81.4000011716		8.145	0
R&D		GLA	81.43822-001-02 9F		33.443	0
R&D		GLA	81.48538		12.581	0
R&D		GLA	81.ADJ-2-30630-05		159.701	0
R&D		GLA	81.C96-175954 TO#6		(35)	0
R&D		GLA	81.DE-AF26-01NT00256		28.803	0
R&D		GGB	81.DE-FC02-01ER63163 A001		724.403	140.005
R&D		GLA	81.DE-FC07-00CH11021		198.694	177.837
R&D		GLA	81.DE-FC07-00ID13850		251.843	2.769
R&D		GGB	81.DE-FC26-01NT41162		98.877	0
R&D		GGB	81.DE-FC26-02NT41335		37.722	0
R&D		GGB	81.DE-FC34-01RF02010 A001		65.276	0
R&D		GGB	81.DE-FG03-00ER15084 A002		89.807	46.374
R&D		GLA	81.DE-FG03-00ER15090		178.870	0
R&D		GGB	81.DE-FG03-01ER63183		11.237	3.216
R&D		GGB	81.DE-FG03-01ER63239		111.385	0
R&D		GLA	81.DE-FG03-01ER63242		54.753	0
R&D		GGB	81.DE-FG03-02ER63365 AMEND		70.683	0
R&D		GGB	81.DE-FG03-93ER14369 M009		80.320	0
R&D		GGB	81.DE-FG03-93ER40788 AMEND		153	0
R&D		GGB	81.DE-FG03-93ER40788 AMEND		399.952	0
R&D		GLA	81.DE-FG03-93ER40789		174.339	0
R&D		GGB	81.DE-FG03-94ER61748 A010		104.767	0
R&D		GLA	81.DE-FG03-95ER14568		148.805	0
R&D		GGB	81.DE-FG03-95ER62102 A006		(25.737)	0
R&D		GLA	81.DE-FG03-96ER45575		108.110	0
R&D		GLA	81.DE-FG03-96ER45600		66.578	0
R&D		GGB	81.DE-FG03-97ER14797 A007		48.819	0
R&D		GGB	81.DE-FG03-97ER14808 M003		4.763	0
R&D		GLA	81.DE-FG03-98ER14908		138.246	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY		NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY		INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME						
R&D			GGB	81.DE-FG03-98ER62569/A003	34,862	0
R&D			GLA	81.DE-FG26-99FT40585	79,957	0
R&D			GGB	81.DE-FG03-96ER14625 A007	107,530	0
R&D			GLA	81.H1801-001-99 9F	26,000	0
R&D			GLA	81.KAT-0-30600-16	9,495	0
R&D			GLA	81.KAT-0-30600-18	24,401	0
R&D			GLA	81.KAT-0-30600-19	36,609	0
R&D			GLA	81.KCQ-0-30600-07	4,713	0
R&D			GLA	81.KCQ-0-30600-08	38,986	0
R&D			GLA	81.KCQ-0-30600-09	22,052	0
R&D			GLA	81.KCQ-0-30600-10	33,843	0
R&D			GLA	81.KCQ-0-30600-14	27,908	0
R&D			GLA	81.KCQ-1-30600-13	9,812	0
R&D			GLA	81.KCQ-1-30600-15	3,798	0
R&D			GLA	81.KCQ-1-30600-17	11,394	0
R&D			GLA	81.KDJ-0-30600-01	8,954	0
R&D			GLA	81.KDJ-0-30600-03	46,797	0
R&D			GLA	81.KDJ-0-30600-05	5,405	0
R&D			GLA	81.KXQ-1-30600-20	16,583	0
R&D			GLA	81.KXQ-1-30600-21	10,136	0
R&D			GLA	81.PO 12727	29,479	0
R&D			GLA	81.PO 20751	34,167	0
R&D			GLA	81.PO 26801	38,815	0
R&D			GLA	81.PO 30817	7,080	0
R&D			GLA	81.RM 708040GM6	(2,733)	0
R&D			GLA	81.XAK-8-17619-28	108,647	0
R&D			GLA	81.XAK-8-17619-31	42,098	0
R&D			GLA	81.XCO-0-30088-01	(3,931)	0
R&D			GLA	81.XDJ-0-30603-01	14,993	0
R&D			GLA	81.XSX669	14,547	0
SUBTOTAL DIRECT FROM:					4,325,511	370,201
PASS-THROUGH PROGRAMS FROM:						
AMERICAN IRON & STEEL INST.						
R&D			GLA	81.DE-FC07-97ID13554	80,200	0
AMERICAN IRON AND STEEL INST						
R&D			GLA	81.DE-FC07-97ID13554	55,748	0
AMERICAN IRON AND STEEL INST.						
R&D			GLA	81.DE-FC07-97ID13554	113,188	0
BLACKHAWK GEOSERVICES, INC						
R&D			GLA	81.NOT GIVEN	47,396	0
CARGILL DOW POLYMERS, LLC						
Alternative Fuel Transportation Program						
R&D			GLA	81.111 / 81.DE-FC02-99CH11010	319,507	0
CATERPILLAR						
R&D			GLA	81.DE-FC07-011D14242	16,089	0
CERAMEM CORPORATION						
R&D			GLA	81.NOT GIVEN	15,000	0
GAS TECHNOLOGY INSTITUTE						
R&D			GLA	81.DE-FC26-00NT40917	147,282	0
GLOBAL SOLAR ENERGY LLC						
R&D			GLA	81.ZAX-8-17647-11	16,097	0
ITN ENERGY STSTEMS, INC.						
R&D			GLA	81.DE-AC36-83CH10093	34,170	0
ITN ENERGY SYSTEMS						
R&D			GLA	81.ZDO-0-30628-07	15,154	0
ITN ENERGY SYSTEMS, INC						
R&D			GLA	81.NDJ-2-30630-11	32,886	0
ITN ENERGY SYSTEMS, INC.						
R&D			GLA	81.DE-AC36-83CH10093	14,943	0
NISOURCE						
R&D			GLA	81.DE-AC36-99G010337	1,220	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
NISOURCE ENERGY TECHNOLOGIES R&D		GLA	81.4500013009	128.058	0
PETROLEUM TECHNOLOGY TRANSF CO R&D		GLA	81.DE-FC26-98BC15118	78.365	0
TDA RESEARCH R&D		GLA	81.DE-FG03-00ER83103	6	0
THE TIMKEN COMPANY R&D		GLA	81.DE-FC07-99ID13819	4.337	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,119.646	0
SUBTOTAL DEPARTMENT OF ENERGY				5,445.157	370.201
ENERGY INFORMATION ADMINISTRATION, DEPARTMENT OF ENERGY					
PASS-THROUGH PROGRAMS FROM:					
UT BATTELLE LLC National Energy Information Center		GFB	81.039 / 81.4500007776	(5.435)	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				(5.435)	0
SUBTOTAL ENERGY INFORMATION ADMINISTRATION, DEPARTMENT OF ENERGY				(5.435)	0
ENVIRONMENTAL MANAGEMENT, OFFICE OF MANAGEMENT AND EVALUATION, DEPARTMENT OF ENERGY					
PASS-THROUGH PROGRAMS FROM:					
LAWRENCE LIVERMORE NATIONAL LABORATORY Academic Partnerships		GFD	81.102 / 81.8522753	41.951	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				41.951	0
SUBTOTAL ENVIRONMENTAL MANAGEMENT, OFFICE OF MANAGEMENT AND EVALUATION, DEPARTMENT OF ENERGY				41.951	0
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY					
DIRECT FROM:					
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY					
Inventions and Innovations		GGB	81.036	82.718	0
Conservation Research & Development		GGB	81.086	53.879	0
Conservation Research & Development		GLA	81.086 / 81.DE-FC02-01CH11088	230.234	0
Conservation Research & Development		GLA	81.086 / 81.DE-FC07-01ID13998	307.735	0
Conservation Research & Development		GLA	81.086 / 81.DE-FG07-01ID14008	58.215	0
SUBTOTAL DIRECT FROM:				732.781	0
PASS-THROUGH PROGRAMS FROM:					
TUFTS UNIVERSITY Conservation Research & Development		GFB	81.086 / 81.SUB/FG02-98ER62665	246	0
UNIV. OF CALIFORNIA, IRVINE Conservation Research & Development		GLA	81.086 / 81.DE-FC07-00ID13816	28.904	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				29.150	0
SUBTOTAL OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY				761.931	0
OFFICE OF ENERGY EFFICIENCY CONSERVATION AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY					
DIRECT FROM:					
OFFICE OF ENERGY EFFICIENCY CONSERVATION AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY					
Renewable Energy Research & Development		GFB	81.087	651.749	55.108
SUBTOTAL DIRECT FROM:				651.749	55.108

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS	
PASS-THROUGH PROGRAMS FROM:						
CERAMEM CORPORATION						
Renewable Energy Research & Development		GFB	81.087 / 81.0CG4178B	59,775	0	
CONSORTIUM FOR PLANT BIOTECHNOLOGY RESEARCH						
Renewable Energy Research & Development		GFB	81.087 / 81.0R22072-103	40,346	0	
INDIANA UNIVERSITY						
Renewable Energy Research & Development		GFB	81.087 / 81.10807-0234	6,500	143,067	
LOS ALAMOS NATIONAL LABORATORIES						
Renewable Energy Research & Development		GFB	81.087 / 81.21485-001-2J	67,774	0	
MASSACHUSETTS INSTITUTE OF TECHNOLOGY						
Renewable Energy Research & Development		GFB	81.087 / 81.5710001164	50,632	0	
NATIONAL RENEWABLE ENERGY LABORATORY						
Renewable Energy Research & Development		GFB	81.087 / 81.ACL	2,344	0	
Renewable Energy Research & Development		GFB	81.087 / 81.KAK-6-16810-17	17,181	0	
Renewable Energy Research & Development		GFB	81.087 / 81.KAK-6-16810-18	38,780	0	
Renewable Energy Research & Development		GFB	81.087 / 81.KCQ-9-29638-10	32,982	0	
Renewable Energy Research & Development		GFB	81.087 / 81.KDJ-9-29638-07	61,344	0	
Renewable Energy Research & Development		GFB	81.087 / 81.KDJ-9-29638-09	34,088	0	
Renewable Energy Research & Development		GFB	81.087 / 81.KDJ-9-29638-12	9,883	0	
Renewable Energy Research & Development		GFB	81.087 / 81.KXCQ-9-29638-20	16,518	0	
Renewable Energy Research & Development		GFB	81.087 / 81.KXCQ-9-29638-21	28,492	0	
Renewable Energy Research & Development		GFB	81.087 / 81.XAD-7-17622-01	(21)	0	
Renewable Energy Research & Development		GFB	81.087 / 81.XAM-1-31220-01	39,095	0	
Renewable Energy Research & Development		GFB	81.087 / 81.XCD-5-15196-01	(16)	0	
Renewable Energy Research & Development		GFB	81.087 / 81.XCX-9-29204-01	99,989	0	
Renewable Energy Research & Development		GFB	81.087 / 81.XCX-9-29204-04	48,915	0	
SANDIA NATIONAL LABORATORIES						
Renewable Energy Research & Development		GFB	81.087 / 81.15191	154,102	0	
Renewable Energy Research & Development		GFB	81.087 / 81.15268	46,518	0	
Renewable Energy Research & Development		GFB	81.087 / 81.16843	23,633	0	
Renewable Energy Research & Development		GFB	81.087 / 81.18409	23,000	0	
Renewable Energy Research & Development		GFB	81.087 / 81.22457	18,053	0	
Renewable Energy Research & Development		GFB	81.087 / 81.31095	30,946	0	
TULANE UNIVERSITY						
Renewable Energy Research & Development		GFB	81.087 / 81.TUL-083-99/00	1,472	0	
Renewable Energy Research & Development		GFB	81.087 / 81.TUL-109-00/01	152,596	0	
UNIVERSITY OF NEBRASKA AT LINCOLN						
Renewable Energy Research & Development		GFB	81.087 / 81.25-1116-0001-002	18,201	0	
UNIVERSITY OF NEBRASKA LINCOLN						
Renewable Energy Research & Development		GFB	81.087 / 81.LWT/62-123-06541	111,091	(7)	
UNIVERSITY OF WISCONSIN						
Renewable Energy Research & Development		GFB	81.087 / 81.A033526	46,549	0	
UT BATTELLE LLC						
Renewable Energy Research & Development		GFB	81.087 / 81.4000009943	64,445	0	
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				1,345,207	143,060	
SUBTOTAL OFFICE OF ENERGY EFFICIENCY CONSERVATION AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY				1,996,956	198,168	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY									
MAJOR SUBDIVISION OF FEDERAL AGENCY									
SOURCE TYPE (DIRECT OR PASS-THROUGH)									
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)									
PROGRAM NAME	NONCASH	STATE <sup>1</sup>	CFDA / OTHER ID NUMBER		DIRECT	PASSED TO			
	INDICATOR	AGENCY			EXPENDITURES	SUBRECIPIENTS			
OFFICE OF ENERGY RESEARCH, DEPARTMENT OF ENERGY									
DIRECT FROM:									
OFFICE OF ENERGY RESEARCH, DEPARTMENT OF ENERGY									
Office of Science Financial Assistance Program	GFB	81.049			5,499,945			11	
Office of Science Financial Assistance Program	GFE	81.049			264,809			294,511	
Office of Science Financial Assistance Program	GGB	81.049			925,457			0	
Office of Science Financial Assistance Program	GLA	81.049 /	81.DE-FG03-93ER14363		15,282			0	
Office of Science Financial Assistance Program	GLA	81.049 /	81.DE-FG03-95ER54303		68,487			0	
Office of Science Financial Assistance Program	GLA	81.049 /	81.DEFG0393ER14363		30,071			0	
Office of Scientific & Technical Information	GFB	81.064			(15,141)			0	
					6,788,910			294,522	
SUBTOTAL DIRECT FROM:									
PASS-THROUGH PROGRAMS FROM:									
FERMI NATIONAL ACCELERATOR LABORATORY									
University-Laboratory Cooperative Program	GFD	81.004 /	81.PO 524631		57,939			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.521463		4,686			0	
IOWA STATE UNIVERSITY									
Office of Science Financial Assistance Program	GFB	81.049 /	81.SC-01-289		28,649			0	
LAWRENCE LIVERMORE NATIONAL LABORATORY									
Office of Science Financial Assistance Program	GFB	81.049 /	81.B218772		54,955			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.B334420		12			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.B347880		217,162			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.B509471		(6,941)			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.B519052		39,602			0	
LOS ALAMOS NATIONAL LABORATORIES									
Office of Science Financial Assistance Program	GFB	81.049 /	81.44226-001-0239		29,991			0	
NATIONAL RENEWABLE ENERGY LABORATORY									
Office of Science Financial Assistance Program	GFB	81.049 /	81.AAD-2-31616-01		80,337			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.ADH-1-31125-01		19,996			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.ADJ-9-29614-01		20,556			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KAK-6-16810-01		(986)			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KAK-6-16810-02		(8,933)			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KAK-6-16810-12		(789)			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KAK-6-16810-13		9,086			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KAK-8-16810-11		701			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KAT-9-29638-13		19,334			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KCE-8-16810-14		(2,952)			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KCO-9-29638-11		7,143			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KDJ-9-29638-01		157			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KDJ-9-29638-02		39,833			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KDJ-9-29638-04		(1,747)			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KDJ-9-29638-06		4,253			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KDJ-9-29638-14		3,619			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.KDJ-9-29638-16		9,823			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.XAK-8-18687-01		791			0	
Pennsylvania State University									
Office of Science Financial Assistance Program	GGB	81.049 /	81.1948-CSU-USDOE-3008 A		49,129			0	
SANDIA NATIONAL LABORATORIES									
Used Energy-Related Laboratory Equipment Grants	GFB	81.022 /	81.16809		74,469			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.4393		52,570			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.AS-9991		(5,494)			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.BB-2621		10,491			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.BC-6501		(2,642)			0	
Office of Science Financial Assistance Program	GFB	81.049 /	81.BD-7692		(12,355)			0	
TULANE UNIVERSITY									
Office of Science Financial Assistance Program	GFB	81.049 /	81.TUL-032-95/96		(533)			0	
Office of Science Financial Assistance Program	GFD	81.049 /	81.TUL-083-99/00		58,924			0	
UNIVERSITY OF CALIFORNIA AT SANTA BARBARA									
Office of Science Financial Assistance Program	GFB	81.049 /	81.KK6017		(1,644)			0	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY MAJOR SUBDIVISION OF FEDERAL AGENCY SOURCE TYPE (DIRECT OR PASS-THROUGH) ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY) PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
UNIVERSITY OF MISSOURI-ROLLA Office of Science Financial Assistance Program		GFB	81.049 / 81.OCG4401B	35,880	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				885,072	0
SUBTOTAL OFFICE OF ENERGY RESEARCH, DEPARTMENT OF ENERGY				7,673,982	294,522
OFFICE OF ENVIRONMENTAL MANAGEMENT, DEPARTMENT OF ENERGY					
PASS-THROUGH PROGRAMS FROM: UNIVERSITY OF CALIFORNIA AT DAVIS Office of Science and Technology for Environmental Management		GFB	81.104 / 81.W/GEC94-023A	(391)	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				(391)	0
SUBTOTAL OFFICE OF ENVIRONMENTAL MANAGEMENT, DEPARTMENT OF ENERGY				(391)	0
SUBTOTAL DEPARTMENT OF ENERGY				15,914,151	862,891
-----					
DEPARTMENT OF EDUCATION					
DEPARTMENT OF EDUCATION					
DIRECT FROM: DEPARTMENT OF EDUCATION R&D		GGB	84.DE-FG03-02E63370	181,559	0
SUBTOTAL DIRECT FROM:				181,559	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

PASS-THROUGH PROGRAMS FROM: STOLAR HORIZON, INC. R&D		GLA	84.DE-FC25-01NT41050	100,813	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				100,813	0
SUBTOTAL DEPARTMENT OF EDUCATION				282,372	0
OFFICE OF ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION					
PASS-THROUGH PROGRAMS FROM: CHILDRENS HOSPITAL Star Schools Star Schools		GFE GFE	84.203 / 84.PN0006-075 84.203 / 84.PN0101-009	(64) 73,447	0 0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				73,383	0
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION				73,383	0
OFFICE OF ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION					
PASS-THROUGH PROGRAMS FROM: FLORIDA INTERNATIONAL UNIVERSITY Civil Rights Training and Advisory Services		GFB	84.004 / 84.541107450-02P030192	11,271	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				11,271	0
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION				11,271	0
OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION					
DIRECT FROM: OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION International: Overseas: Faculty Research Abroad International: Overseas: Doctoral Dissertation TRIO: Student Support Services Fund for the Improvement of Postsecondary Education Fund for the Improvement of Postsecondary Education Fund for the Improvement of Postsecondary Education Graduate Assistance in Areas of National Need		GGB GFB GGB GFC GGB GFB GGB	84.019 84.022 84.042 84.116 84.116 84.116 / 84.84.116J 84.200	23,520 11,495 323,469 78,695 220,378 47,260 173,324	0 0 0 0 0 0 0
SUBTOTAL DIRECT FROM:				878,141	0
PASS-THROUGH PROGRAMS FROM: 84.116B Fund for the Improvement of Postsecondary Education 84.200A Graduate Assistance in Areas of National Need Graduate Assistance in Areas of National Need		GLA GLA GLA	84.116 / 84.P116B70050 84.200 / 84.P200A000447 84.200 / 84.P200A000845-02	23,928 77,106 109,408	0 0 0
OHIO UNIVERSITY Fund for the Improvement of Postsecondary Education		GFC	84.116 / 84.UT 10386	6,752	0
PENN STATE Fund for the Improvement of Postsecondary Education		GLA	84.116 / 84.P116J000044	6,846	0
PENNSYLVANIA STATE Fund for the Improvement of Postsecondary Education		GLA	84.116 / 84.P116J000044	5,620	0
UNIVERSITY OF MIAMI Fund for the Improvement of Postsecondary Education		GFD	84.116 / 84.P116J010029	1,675	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				231,335	0
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION				1,109,476	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
OFFICE OF ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION					
National Institute on Disability and Rehabilitation Research	GFE		84.133 / 84.84.133A	101,039	24,658
National Institute on Disability and Rehabilitation Research	GFE		84.133 / 84.84.133G	78,088	9,624
				-----	-----
SUBTOTAL DIRECT FROM:				179,127	34,282
PASS-THROUGH PROGRAMS FROM:					
THE UNIVERSITY OF KANSAS CENTER FOR RSCH, INC					
National Institute on Disability and Rehabilitation Research	GFA		84.133 / 84.KUCR	13,430	0
UNIVERSITY OF MINNESOTA					
National Institute on Disability and Rehabilitation Research	GFE		84.133 / 84.H1338980047-01	28,998	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				42,428	0
				-----	-----
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION				221,555	34,282
OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION					
Bilingual Education: Professional Development	GFD		84.195	220,787	0
Bilingual Education: Professional Development	GFD		84.195 / 84.84.195A	224,824	0
Bilingual Education: Professional Development	GFD		84.195 / 84.84.195B	206,800	0
				-----	-----
SUBTOTAL DIRECT FROM:				652,411	0
				-----	-----
SUBTOTAL OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION				652,411	0
OFFICE OF EDUCATION RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF EDUCATION RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION					
National Institute on Student Achievement, Curriculum, and Assessment	GFC		84.305	10,695	0
National Institute on Student Achievement, Curriculum, and Assessment	GFD		84.305 / 84.84.305T	179,848	0
National Institute on Early Childhood Development and Education	GFE		84.307 / 84.84.307F	(8,849)	0
				-----	-----
SUBTOTAL DIRECT FROM:				181,694	0
PASS-THROUGH PROGRAMS FROM:					
UNIVERSITY OF CALIFORNIA LOS ANGELES					
Educational Research and Development	GFB		84.117 / 84.0070-G-7B419	(2,916)	(1)
Educational Research and Development	GFB		84.117 / 84.0070-G-9H810	9	0
Educational Research and Development	GFB		84.117 / 84.0070G9H810	(787)	0
Educational Research and Development	GFB		84.117 / 84.0077-G-CC911	108,598	0
Educational Research and Development	GFB		84.117 / 84.PENDING4343	57,465	0
UNIVERSITY OF CALIFORNIA SANTA CRUZ					
National Institute on the Education of At-Risk Students	GFB		84.306 / 84.SC96243-L	5,460	0
National Institute on the Education of At-Risk Students	GFB		84.306 / 84.SC96243-U	49,388	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				217,217	(1)
				-----	-----
SUBTOTAL OFFICE OF EDUCATION RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION				398,911	(1)

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME					
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION					
Safe and Drug-Free Schools and Communities: National Programs		GGB	84.184	128,330	0
				-----	-----
SUBTOTAL DIRECT FROM:				128,330	0
PASS-THROUGH PROGRAMS FROM:					
DENVER PUBLIC SCHOOLS					
Title I Grants to Local Educational Agencies		GFE	84.010 / 84.PN0101-031	203,260	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				203,260	0
				-----	-----
SUBTOTAL OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION				331,590	0
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION					
Special Education: Innovation and Development		GFD	84.023 / 84.84.023A	172,409	0
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFE	84.324	37,335	13,219
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GGB	84.324	336,496	890
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFB	84.324 / 84.84.324A	63,240	0
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFD	84.324 / 84.84.324D	162,160	7,272
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFC	84.324 / 84.84.324M	146,544	0
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFD	84.324 / 84.84.324M	192,427	0
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFD	84.324 / 84.84.324R	169,864	0
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFE	84.324 / 84.84.324R	144,612	28,928
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GKA	84.324 / 84.H324E015001	390,360	21,236
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GFB	84.325	178,145	56,059
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GFD	84.325 / 84.84.325P	335,768	0
				-----	-----
SUBTOTAL DIRECT FROM:				2,329,360	127,604
PASS-THROUGH PROGRAMS FROM:					
CHILDRENS HOSPITAL					
Special Education: Program for Severely Disabled Children		GFE	84.086 / 84.PN9711	37,122	0
ERIKSON INSTITUTE					
Special Education: Innovation and Development		GFD	84.023 / 84.41451607	(35)	0
TENNESSE VOICES FOR CHILDREN					
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFD	84.324 / 84.H324C000049	59,819	0
UNIVERSITY OF CENTRAL FLORIDA					
Special Education: Personnel Preparation to Improve Services and Results for Children with Disabilities		GFD	84.325 / 84.14-27-523	12,158	0
UNIVERSITY OF MIAMI					
Special Education: Innovation and Development		GFB	84.023 / 84.669582	24,922	0
UNIVERSITY OF SOUTH FLORIDA					
Special Education: Research and Innovation to Improve Services and Results for Children with Disabilities		GFD	84.324 / 84.5830-423-LO-H	16,690	0
				-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				150,676	0
				-----	-----
SUBTOTAL OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION				2,480,036	127,604
OFFICE OF THE DIRECTOR FOR BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION					
DIRECT FROM:					
OFFICE OF THE DIRECTOR FOR BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION					
Bilingual Education: Research Programs		GFB	84.292 / 84.84.292B	51,444	0
Bilingual Education: Research Programs		GFD	84.292 / 84.84.292B	35,370	0
				-----	-----
SUBTOTAL DIRECT FROM:				86,814	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY

MAJOR SUBDIVISION OF FEDERAL AGENCY

SOURCE TYPE (DIRECT OR PASS-THROUGH)

ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)

PROGRAM NAME

NONCASH  
INDICATOR

STATE<sup>1</sup>  
AGENCY

CFDA / OTHER ID NUMBER

DIRECT  
EXPENDITURES

PASSED TO  
SUBRECIPIENTS

PASS-THROUGH PROGRAMS FROM:					
DENVER PUBLIC SCHOOLS					
	Bilingual Education: Systemwide Improvement Grants	GFD	84.291 / 84.T29000009	26,059	0
	Bilingual Education: Systemwide Improvement Grants	GFD	84.291 / 84.T291R000009-01	147,117	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				173,176	0
SUBTOTAL OFFICE OF THE DIRECTOR FOR BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION				259,990	0
SUBTOTAL DEPARTMENT OF EDUCATION				5,820,995	161,885
-----					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
	Head Start	GFE	93.600	604,362	3,000
	Developmental Disabilities Projects of National Significance	GFE	93.631	151,284	0
	Child Abuse and Neglect Discretionary Activities	GFE	93.670	45,075	0
SUBTOTAL DIRECT FROM:				800,721	3,000
PASS-THROUGH PROGRAMS FROM:					
ABT ASSOCIATES INC					
	Child Welfare Research and Demonstration	GFE	93.608 / 93.ABT 105-94-1925	0	(53,480)
CHILDRENS HOSPITAL					
	Welfare Reform Research, Evaluations and National Studies (B) -	GFE	93.595 / 93.PN 9806-034	234	0
MATHEMATICA POLICY RESEARCH INC					
	Head Start	GFE	93.600 / 93.MPR 8300-96-12	122	0
OKLAHOMA STATE DEPARTMENT OF HEALTH					
	Family Violence Prevention and Services/Grants for Battered Women's Shelters: Grants to States and Indian	GFE	93.671 / 93.OKDOH R054996	188	0
UNIVERSITY OF ILLINOIS					
	Head Start	GFD	93.600 / 93.90YD0119/01	69,279	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				69,823	(53,480)
SUBTOTAL ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES				870,544	(50,480)
ADMINISTRATION ON AGING, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
PASS-THROUGH PROGRAMS FROM:					
DUKE UNIVERSITY					
	Special Programs for the Aging: Title VII, Chapter 2: Long Term Care Ombudsman Services for Older Individua	GFB	93.042 / 93.97-SC-NIA-1028	139	0
MATHEMATICA POLICY RESEARCH INC					
	Special Programs for the Aging: Title IV: and Title II: Discretionary Projects	GFE	93.048 / 93.MPR 8667-99-30	85,785	0
VETERANS MEDICAL RESEARCH FOUNDATION					
	Special Programs for the Aging: Title III, Part D: Disease Prevention and Health Promotion Services	GFE	93.043 / 93.MH55253-01A2 1 R01	(6,043)	0
	Special Programs for the Aging: Title III, Part D: Disease Prevention and Health Promotion Services	GFE	93.043 / 93.MH55253-02 5 R01	47,956	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				127,837	0
SUBTOTAL ADMINISTRATION ON AGING, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES				127,837	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
AGENCY FOR HEALTH CARE POLICY AND RESEARCH, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
DIRECT FROM:						
AGENCY FOR HEALTH CARE POLICY AND RESEARCH, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Research on Health Care Outcomes and Quality		GFE	93.180		19,246	0
National Research Service Awards: Health Services Research Training		GFE	93.225		85,500	0
Research on Healthcare Costs, Quality and Outcomes		GFB	93.226		22,967	0
Research on Healthcare Costs, Quality and Outcomes		GFE	93.226		1,887,527	411,329
					-----	-----
SUBTOTAL DIRECT FROM:					2,015,240	411,329
PASS-THROUGH PROGRAMS FROM:						
HEALTH RESEARCH AND EDUCATION TRUST						
Research on Healthcare Costs, Quality and Outcomes		GFE	93.226 / 93.HRET 50201		70,968	0
MCKESSEN BIOSERVICES						
Research on Healthcare Costs, Quality and Outcomes		GFE	93.226 / 93.MBS-95016-1		34,478	0
OREGON HEALTH SCIENCES UNIVERSITY						
National Research Service Awards: Health Services Research Training		GFE	93.225 / 93.OHSU 6398024		25,872	0
UNIVERSITY OF CALIFORNIA AT SAN FRANCISCO						
Research on Healthcare Costs, Quality and Outcomes		GFE	93.226 / 93.1 R01 HS13001		15,659	0
Research on Healthcare Costs, Quality and Outcomes		GFD	93.226 / 93.SUB. #2611SC		207,416	0
UNIVERSITY OF MICHIGAN						
Research on Healthcare Costs, Quality and Outcomes		GFB	93.226 / 93.M000108		94,363	0
					-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					448,756	0
					-----	-----
SUBTOTAL AGENCY FOR HEALTH CARE POLICY AND RESEARCH, DEPARTMENT OF HEALTH AND HUMAN SERVICES					2,463,996	411,329
AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
DIRECT FROM:						
AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Human Health Studies: Applied Research and Development		GFE	93.206		342,739	0
					-----	-----
SUBTOTAL DIRECT FROM:					342,739	0
PASS-THROUGH PROGRAMS FROM:						
UNIVERSITY OF CALIFORNIA BERKLEY						
Human Health Studies: Applied Research and Development		GFB	93.206 / 93.SA1796JB		176	0
					-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					176	0
					-----	-----
SUBTOTAL AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY, DEPARTMENT OF HEALTH AND HUMAN SERVICES					342,915	0
CENTERS FOR DISEASE CONTROL AND PREVENTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
DIRECT FROM:						
CENTERS FOR DISEASE CONTROL AND PREVENTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Project Grants and Cooperative Agreements for Tuberculosis Control Programs		GFB	93.116		9,877	0
Acquired Immunodeficiency Syndrome (AIDS) Activity		GFE	93.118		(9,685)	0
Centers for Research and Demonstration for Health Promotion and Disease Prevention		GFB	93.135		(12)	0
Centers for Research and Demonstration for Health Promotion and Disease Prevention		GFE	93.135		1,137,725	54,721
Injury Prevention and Control Research and State and Community Based Programs		GGB	93.136		863,973	66,990
Health Program for Toxic Substances and Disease Registry		GGB	93.161		215,715	0
Occupational Safety and Health Research Grants		GFB	93.262		18,938	0
Occupational Safety and Health Research Grants		GFE	93.262		170,222	106,514
Occupational Safety and Health Research Grants		GGB	93.262		670,510	139
Occupational Safety and Health: Training Grants		GGB	93.263		84,736	0
Immunization Grants		GFE	93.268		444,378	0
Centers for Disease Control and Prevention: Investigations and Technical Assistance		GFD	93.283		83,234	0
Centers for Disease Control and Prevention: Investigations and Technical Assistance		GFE	93.283		576,221	169,588
Centers for Disease Control and Prevention: Investigations and Technical Assistance		GGB	93.283		230,812	81,730

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance		GFD	93.944	35,481	0
R&D		GLA	93.060/CCU816929-02	255,910	0
R&D		GLA	93.060/CCU816929-03	776,703	6,035
SUBTOTAL DIRECT FROM:				5,564,738	485,717
PASS-THROUGH PROGRAMS FROM:					
DENVER HEALTH AND HOSPITAL					
Centers for Research and Demonstration for Health Promotion and Disease Prevention		GFE	93.135 / 93.DHH E0596D1	20,478	0
Centers for Disease Control and Prevention: Investigations and Technical Assistance		GFE	93.283 / 93.DHH E0585G	13,042	0
Centers for Disease Control and Prevention: Investigations and Technical Assistance		GFE	93.283 / 93.E0596C1	6,756	0
Centers for Disease Control and Prevention: Investigations and Technical Assistance		GFE	93.283 / 93.PN0009-025	(3)	0
University of Washington					
Occupational Safety and Health Research Grants		GGB	93.262 / 93.196938	14,770	0
WESTAT, INC					
HIV Prevention Activities: Non-Governmental Organization Based		GFE	93.939 / 93.WESTAT N01HD33162	620,975	464,737
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				676,018	464,737
SUBTOTAL CENTERS FOR DISEASE CONTROL AND PREVENTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES				6,240,756	950,454
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
R&D		GGB	93.2 T32 HD07031-26	21,033	0
R&D		GGB	93.5 R01 GM56685-03	3,894	0
R&D		GGB	93.5 R01 HL49330-10	114,219	0
SUBTOTAL DIRECT FROM:				139,146	0
PASS-THROUGH PROGRAMS FROM:					
Case Western Reserve Univ (Use YUCA09)					
R&D		GGB	93.CWRU 642-8921: N01-AI-45	(177)	0
Northwestern University					
R&D		GGB	93.0600 370 A519 CSU	41,854	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:				41,677	0
SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES				180,823	0
FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration: Research		GFE	93.103	28,936	0
Food and Drug Administration: Research		GGB	93.103	207,106	0
SUBTOTAL DIRECT FROM:				236,042	0
SUBTOTAL FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES				236,042	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES									
DIRECT FROM:									
HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES									
Medicare: Supplementary Medical Insurance					GFE	93.774		809,340	0
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations					GFE	93.779		220,291	0
								-----	-----
SUBTOTAL DIRECT FROM:								1,029,631	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)					
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
PASS-THROUGH PROGRAMS FROM:					
CENTER FOR HEALTH POLICY RESEARCH					
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	GFE		93.779 / 93.CHPR 500 94 0054	126,781	0
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	GFE		93.779 / 93.CHPR 500 96 0004/TO	189,072	0
COLORADO FOUNDATION MEDICAL CARE					
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	GFD		93.779 / 93.500-99-C001-ANTIBIO	10,729	0
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	GFE		93.779 / 93.CFMC 500-99-C001	290,704	0
NEW YORK DEPARTMENT OF HEALTH					
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	GFE		93.779 / 93.NYDOH C-015111	364,992	0
POLICY CENTER INCORPORATED					
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	GFE		93.779 / 93.CHPR 18C90617/8-03	127,167	0
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	GFE		93.779 / 93.POLICY 882 94	28,868	0
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations, and Evaluations	GFE		93.779 / 93.POLICY 898 38(1)	80,498	0
				1,218,811	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					
SUBTOTAL HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES				2,248,442	0
HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
DIRECT FROM:					
HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Maternal and Child Health Federal Consolidated Programs	GFE		93.110	182,863	64,601
AIDS Education and Training Centers	GFE		93.145	4,916	129,106
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	GFE		93.153	369,239	278,479
Universal Newborn Hearing Screening	GFB		93.251	(267)	(7,200)
Advanced Education Nursing Traineeships	GFC		93.358	52,400	0
Health Care and Other Facilities	GFE		93.887	9,841,966	0
Healthy Start Initiative	GFE		93.926	29,406	0
				10,480,523	464,986
SUBTOTAL DIRECT FROM:					
PASS-THROUGH PROGRAMS FROM:					
ASSOC OF TEACHERS OF PREVENTATIVE MEDICINE					
Grants for Preventive Medicine	GFE		93.117 / 93.ATPM TS 252-13/14	7,619	0
CHILDRENS HOSPITAL					
Maternal and Child Health Federal Consolidated Programs	GFE		93.110 / 93.PN0001-117	62,414	0
COLUMBIA UNIVERSITY					
AIDS Education and Training Centers	GFE		93.145 / 93.5H4A HA00037-02	26,599	0
NATIONAL MARROW DONOR PROGRAM					
Grants to Increase Organ Donations	GFE		93.134 / 93.NMDP PN9908 068	111,308	0
UNIVERSITY OF MISSOURI-COLUMBIA					
Maternal and Child Health Services Block Grant to the States	GFE		93.994 / 93.UMOCO 00113271	(19,809)	0
Maternal and Child Health Services Block Grant to the States	GFE		93.994 / 93.UMOCO 01104061-1	32,480	0
UNIVERSITY OF TORONTO					
Centers for Medical Education Research	GFE		93.222 / 93.NR05075-01A1 1 R01	93,318	0
UNIVERSITY OF TEXAS AT AUSTIN					
Maternal and Child Health Federal Consolidated Programs	GGB		93.110 / 93.UTA96-0009 AMD 7	15,497	0
				329,426	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					
SUBTOTAL HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES				10,809,949	464,986

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
HEALTH STANDARDS AND QUALITY BUREAU, HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
PASS-THROUGH PROGRAMS FROM:						
ABT ASSOCIATES INC						
State Survey and Certification of Health Care Providers and Suppliers		GFE	93.777 / 93.ABT 500 95 0062		107,864	0
State Survey and Certification of Health Care Providers and Suppliers		GFE	93.777 / 93.ABT 500 96 3(6)		61,048	0
RESEARCH TRIANGLE INSTITUTE						
State Survey and Certification of Health Care Providers and Suppliers		GFE	93.777 / 93.RTI 4-53U-6613-01		302,723	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					-----	-----
					471,635	0
SUBTOTAL HEALTH STANDARDS AND QUALITY BUREAU, HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES					-----	-----
					471,635	0
NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS, NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
DIRECT FROM:						
NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS, NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Research Related to Deafness and Communication Disorders		GFB	93.173		215,786	0
Research Related to Deafness and Communication Disorders		GFE	93.173		2,713,696	300,651
Research Related to Deafness and Communication Disorders		GGB	93.173		267,694	0
SUBTOTAL DIRECT FROM:					-----	-----
					3,197,176	300,651
PASS-THROUGH PROGRAMS FROM:						
LOUISIANA STATE UNIVERSITY						
Research Related to Deafness and Communication Disorders		GFE	93.173 / 93.LSU R187697A		97,427	0
SMITH COLLEGE						
Research Related to Deafness and Communication Disorders		GFB	93.173 / 93.636026		2,942	0
Research Related to Deafness and Communication Disorders		GFB	93.173 / 93.636026-1		3,631	0
UNIVERSITY OF PITTSBURG						
Research Related to Deafness and Communication Disorders		GFE	93.173 / 93.UPITTS 102947-1		18,398	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					-----	-----
					122,398	0
SUBTOTAL NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS, NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES					-----	-----
					3,319,574	300,651
NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
DIRECT FROM:						
NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
R&D		GGB	93.1 R01 HL68916-01A1		15,815	0
R&D		GGB	93.1 R24 RR16344-01A1		40,790	0
Biological Response to Environmental Health Hazards		GFB	93.113		2,497	0
Biological Response to Environmental Health Hazards		GFD	93.113		251,898	0
Biological Response to Environmental Health Hazards		GFE	93.113		1,395,026	0
Biological Response to Environmental Health Hazards		GGB	93.113		381,757	0
Applied Toxicological Research and Testing		GFE	93.114		158,455	0
Applied Toxicological Research and Testing		GGB	93.114		221,322	118,932
Biometry and Risk Estimation: Health Risks from Environmental Exposures		GFE	93.115		317,717	35,176
Biometry and Risk Estimation: Health Risks from Environmental Exposures		GGB	93.115		148,781	5,240
Oral Diseases and Disorders Research		GFB	93.121		255,619	0
Oral Diseases and Disorders Research		GFE	93.121		1,377,857	0
NIEHS Superfund Hazardous Substances: Basic Research and Education		GGB	93.143		32,386	0
Mental Health Research Grants		GFB	93.242		2,198,223	196,002
Mental Health Research Grants		GFC	93.242		37,941	0
Mental Health Research Grants		GFE	93.242		4,740,027	191,724
Mental Health Research Grants		GGB	93.242		769,158	0
Alcohol Research Career Development Awards for Scientists and Clinicians		GFB	93.271		187,201	0
Alcohol Research Career Development Awards for Scientists and Clinicians		GFE	93.271		177,018	0
Alcohol Research Programs		GFB	93.273		1,916,072	597,244
Alcohol Research Programs		GFE	93.273		4,799,892	32,500
Alcohol Research Programs		GGB	93.273		490,268	64,640

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS	
Career Development Awards		GFB	93.277	333,504	0	
Career Development Awards		GFE	93.277	86,544	0	
Drug Abuse Research Programs		GFB	93.279	961,353	51,507	
Drug Abuse Research Programs		GFD	93.279	67,125	0	
Drug Abuse Research Programs		GFE	93.279	5,777,174	2,625,376	
Drug Abuse Research Programs		GGB	93.279	2,679,052	173,411	
Mental Health Research Career/Scientist Development Awards		GFB	93.281	103,404	0	
Mental Health Research Career/Scientist Development Awards		GFE	93.281	672,795	0	
Mental Health National Research Service Awards for Research Training		GFB	93.282	5,799	0	
Mental Health National Research Service Awards for Research Training		GFD	93.282	911	0	
Mental Health National Research Service Awards for Research Training		GGB	93.282	9,614	0	
Comparative Medicine		GFE	93.306	127,914	0	
Comparative Medicine		GGB	93.306	198,151	0	
Clinical Research		GFE	93.333	3,682,646	4,837,961	
Nursing Research		GFE	93.361	279,999	76,042	
Biomedical Technology		GFB	93.371	1,142,465	0	
Biomedical Technology		GFE	93.371	679,362	0	
Biomedical Technology		GGB	93.371	40,055	0	
Research Infrastructure		GFE	93.389	881,554	0	
Research Infrastructure		GGB	93.389	1,612,047	4,240	
Cancer Cause and Prevention Research		GFE	93.393	2,924,269	0	
Cancer Cause and Prevention Research		GGB	93.393	1,678,268	78,237	
Cancer Detection and Diagnosis Research		GFE	93.394	1,961,715	344,118	
Cancer Detection and Diagnosis Research		GGB	93.394	7,198	0	
Cancer Treatment Research		GFB	93.395	143,615	0	
Cancer Treatment Research		GFE	93.395	1,617,210	9,336	
Cancer Treatment Research		GGB	93.395	1,041,661	0	
Cancer Biology Research		GFB	93.396	837,576	0	
Cancer Biology Research		GFE	93.396	2,978,384	12,413	
Cancer Biology Research		GGB	93.396	166,980	0	
Cancer Centers Support		GFE	93.397	5,913,054	177,330	
Cancer Research Manpower		GFE	93.398	976,585	17,089	
Cancer Research Manpower		GGB	93.398	405,528	0	
Cancer Control		GFB	93.399	52,919	24,046	
Cancer Control		GFD	93.399	302,841	45,287	
Cancer Control		GFE	93.399	757,486	12,041	
Cancer Control		GGB	93.399	10,010	0	
R&D		GGB	93.5 R01 GM40525-12	194,261	193,728	
Cell Biology and Biophysics Research		GFB	93.821	3,923,879	218,775	
Cell Biology and Biophysics Research		GFE	93.821	1,137,235	0	
Cell Biology and Biophysics Research		GGB	93.821	1,454,803	170,601	
Heart and Vascular Diseases Research		GFB	93.837	855,187	0	
Heart and Vascular Diseases Research		GFE	93.837	5,253,331	462,083	
Heart and Vascular Diseases Research		GGB	93.837	212,344	0	
Lung Diseases Research		GFE	93.838	7,525,451	1,779,260	
Lung Diseases Research		GGB	93.838	4,922	0	
Blood Diseases and Resources Research		GFB	93.839	172,896	0	
Blood Diseases and Resources Research		GFE	93.839	458,827	13,346	
Blood Diseases and Resources Research		GGB	93.839	71,961	0	
Arthritis, Musculoskeletal and Skin Diseases Research		GFB	93.846	518,020	0	
Arthritis, Musculoskeletal and Skin Diseases Research		GFE	93.846	2,262,662	79,636	
Arthritis, Musculoskeletal and Skin Diseases Research		GGB	93.846	39,416	0	
Diabetes, Endocrinology and Metabolism Research		GFB	93.847	(1,202)	0	
Diabetes, Endocrinology and Metabolism Research		GFE	93.847	11,558,620	849,018	
Diabetes, Endocrinology and Metabolism Research		GGB	93.847	434,087	0	
Digestive Diseases and Nutrition Research		GFE	93.848	4,565,888	18,000	
Kidney Diseases, Urology and Hematology Research		GFE	93.849	5,297,006	48,922	
Kidney Diseases, Urology and Hematology Research		GGB	93.849	119,493	0	
Extramural Research Programs in the Neurosciences and Neurological Disorders		GFB	93.853	447,985	0	
Extramural Research Programs in the Neurosciences and Neurological Disorders		GFE	93.853	1,900,734	201,574	
Extramural Research Programs in the Neurosciences and Neurological Disorders		GGB	93.853	1,134,053	0	
Biological Basis Research in the Neurosciences		GFB	93.854	588,871	0	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY					
MAJOR SUBDIVISION OF FEDERAL AGENCY					
SOURCE TYPE (DIRECT OR PASS-THROUGH)					
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>		DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER	EXPENDITURES	SUBRECIPIENTS
Biological Basis Research in the Neurosciences		GFE	93.854	4,034,535	517,513
Biological Basis Research in the Neurosciences		GGB	93.854	982,209	0
Allergy, Immunology and Transplantation Research		GFB	93.855	428,036	0
Allergy, Immunology and Transplantation Research		GFE	93.855	2,684,298	317,197
Microbiology and Infectious Diseases Research		GFB	93.856	810,377	0
Microbiology and Infectious Diseases Research		GFE	93.856	6,484,596	722,455
Microbiology and Infectious Diseases Research		GGB	93.856	7,522,450	871,865
Pharmacology, Physiology, and Biological Chemistry Research		GFB	93.859	1,003,714	0
Pharmacology, Physiology, and Biological Chemistry Research		GFC	93.859	151,917	0
Pharmacology, Physiology, and Biological Chemistry Research		GFE	93.859	2,168,114	0
Pharmacology, Physiology, and Biological Chemistry Research		GGB	93.859	699,662	16,868
Genetics and Developmental Biology Research and Research Training		GFB	93.862	2,904,625	0
Genetics and Developmental Biology Research and Research Training		GFE	93.862	3,969,199	0
Genetics and Developmental Biology Research and Research Training		GGB	93.862	610,069	0
Population Research		GFE	93.864	679,161	29,249
Population Research		GGB	93.864	522,455	0
Center for Research for Mothers and Children		GFB	93.865	2,257,353	815,604
Center for Research for Mothers and Children		GFE	93.865	4,159,943	970,132
Center for Research for Mothers and Children		GGB	93.865	(19)	0
Aging Research		GFB	93.866	2,300,583	150,316
Aging Research		GFD	93.866	40,147	0
Aging Research		GFE	93.866	2,420,481	321,672
Aging Research		GGB	93.866	396,944	0
Vision Research		GFB	93.867	120,234	76,248
Vision Research		GFE	93.867	1,151,322	0
Medical Library Assistance		GFE	93.879	1,545,174	48,144
Alcohol Research Center Grants		GFB	93.891	29,944	20,264
Alcohol Research Center Grants		GFE	93.891	1,107,989	680,928
Resource and Manpower Development in the Environmental Health Sciences		GGB	93.894	259,232	0
Center for Medical Rehabilitation Research		GFE	93.929	132,845	0
Center for Medical Rehabilitation Research		GGB	93.929	79,987	12,800
Fogarty International Research Collaboration Award		GFE	93.934	127,395	0
Fogarty International Research Collaboration Award		GGB	93.934	169,821	0
SUBTOTAL DIRECT FROM:				163,118,009	19,336,090
PASS-THROUGH PROGRAMS FROM:					
AMC CANCER RESEARCH CENTER					
Cancer Cause and Prevention Research		GFD	93.393 / 93.739-8202	17,999	0
Cancer Cause and Prevention Research		GFE	93.393 / 93.AMC 738-8202	15,941	0
Cancer Detection and Diagnosis Research		GFD	93.394 / 93.1R01CA81028	27,577	0
Cancer Control		GFE	93.399 / 93.AMC 9802-019	(72)	0
AMC Cancer Research Center					
Cancer Cause and Prevention Research		GGB	93.393 / 93.727-9104	100,238	0
AMERICAN COLLEGE OF RADIOLOGY					
Cancer Treatment Research		GFE	93.395 / 93.ACOR CA21661	4,852	0
AMERICAN COLLEGE OF SURGEONS ONCOLOGY GROUP					
Cancer Treatment Research		GFE	93.395 / 93.ACSOG 99-565	34,741	0
BAYLOR COLLEGE OF MEDICINE					
Research Infrastructure		GFB	93.389 / 93.4600065934	31,477	0
Cancer Biology Research		GFE	93.396 / 93.BAYLOR PO 794774	109,315	0
BRIGHAM AND WOMENS HOSPITAL					
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.BWH #700791	4,452	0
Microbiology and Infectious Diseases Research		GFE	93.856 / 93.1P01A146518-01	1,072	70,835
CARCINEX, INC					
Cancer Biology Research		GFE	93.396 / 93.PN0108-114	5,801	0
CASE WESTERN RESERVE UNIVERSITY					
Center for Research for Mothers and Children		GFE	93.865 / 93.HD11089-23 5 P01	(32)	0
CLEVER SYSTEMS, INC					
Mental Health Research Grants		GFE	93.242 / 93.CLEVER MH58964	14,287	0
COLUMBIA UNIVERSITY					
Center for Research for Mothers and Children		GFE	93.865 / 93.1 R01 HD38652-03	153,655	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS	
CORNELL UNIVERSITY MEDICAL COLLEGE Population Research		GFD	93.864 / 93.35215-6078	12.111	0	
Case Western Reserve University Microbiology and Infectious Diseases Research		GGB	93.856 / 93.74005	1.770	0	
Cytomation GTX, Inc. Cancer Cause and Prevention Research		GGB	93.393 / 93.99013506	23.756	0	
DARTMOUTH COLLEGE Cancer Control		GFE	93.399 / 93.DARTMOUTH 5-30292	48.802	0	
Cancer Control		GFE	93.399 / 93.DARTMOUTH 5-30370	3.883	0	
Cancer Control		GFE	93.399 / 93.DRTMTH 3R01 CA59005	9.314	0	
Cancer Control		GFE	93.399 / 93.DRTMTH 5R01 CA59005	39.005	0	
DENVER HEALTH AND HOSPITAL Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.DHH E0966	4.695	0	
DUKE UNIVERSITY Aging Research		GFB	93.866 / 93.02-SC-NIH-1032	169.142	0	
Aging Research		GFB	93.866 / 93.98-SC-NIH-1032	(414)	0	
Duke University Cancer Treatment Research		GGB	93.395 / 93.DS639 303-2151 CORE 2	33.322	0	
ELEANOR ROOSEVELT INSTITUTE CANCER RESEARCH Center for Research for Mothers and Children		GFE	93.865 / 93.ERICR HD17449	(78)	0	
Center for Research for Mothers and Children		GFE	93.865 / 93.ERICR HD17449-17	(51)	0	
Center for Research for Mothers and Children		GFE	93.865 / 93.ERICR HD17449-18	115.895	0	
Center for Research for Mothers and Children		GFE	93.865 / 93.ERICR HD17449-19	126.054	0	
EPIMMUNE, INC. Microbiology and Infectious Diseases Research		GFE	93.856 / 93.EPIM AI48238	403.357	0	
FRED HUTCHINSON CANCER RESEARCH CENTER Cancer Treatment Research		GFE	93.395 / 93.5 R01 CA63030-06	19.336	0	
GEORGE WASHINGTON UNIVERSITY Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.AC21086	2.398	0	
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.GWUNIV DK48489-06	4.637	0	
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.U 01 DK61055-01	47.332	0	
GONEX INC Cancer Treatment Research		GFE	93.395 / 93.GONEX PN 9904 033	3.753	0	
Gonex, Inc Cancer Treatment Research		GGB	93.395 / 93.R42 CA75662	86.481	0	
HARVARD SCHOOL OF PUBLIC HEALTH Aging Research		GFB	93.866 / 93.1R01AG16308-01A2	57.082	0	
Harvard University Cancer Cause and Prevention Research		GGB	93.393 / 93.PRIME 2 R01 CA71993-0	(899)	0	
INDIANA UNIVERSITY Mental Health Research Grants		GFB	93.242 / 93.10208-0172	66.417	0	
JOHNS HOPKINS UNIVERSITY Lung Diseases Research		GFE	93.838 / 93.7 R01 HL60195-04	57.953	0	
Lung Diseases Research		GFE	93.838 / 93.JHU 8110-64622-X	77.046	0	
JOSLIN DIABETES CENTER INC Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.JOSLIN DK46601-07	58.084	0	
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.PN9806-001	(277)	0	
KAISER FOUNDATION Heart and Vascular Diseases Research		GFE	93.837 / 93.KAISER 115-9350B	98.362	0	
LAYTON BIOSCIENCE Biological Basis Research in the Neurosciences		GFE	93.854 / 93.NS36502-03 5 R44	84.370	0	
MASSACHUSETTS GENERAL HOSPITAL Mental Health Research Grants		GFE	93.242 / 93.N01 MH80001	62.244	0	
Cell Biology and Biophysics Research		GFE	93.821 / 93.N00173-01-1-G011	93.211	0	
Heart and Vascular Diseases Research		GFE	93.837 / 93.HL56893-03 2R01	22.256	0	
Pharmacology, Physiology, and Biological Chemistry Research		GFE	93.859 / 93.1 U54 GM62119-01A1	3.369	0	
MAYO CLINIC ROCHESTER Cancer Cause and Prevention Research		GFE	93.393 / 93.1 U01 CA89389-01	32.373	0	
NANOMATERIALS RESEARCH CORPORATION Biomedical Technology		GFB	93.371 / 93.S10739	8.868	0	
NATIONAL DEVELOPMENT AND RESEARCH INST. INC. Drug Abuse Research Programs		GFE	93.279 / 93.NDRI DA09522-03	(32)	0	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)						
PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS	
NATIONAL JEWISH MEDICAL AND RESEARCH CENTER						
Lung Diseases Research		GFB	93.838 / 93.24008706	15.651	0	
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.NJMRC-R01 DK46121	30.346	0	
NATL JEWISH HOSPITAL						
Lung Diseases Research		GFE	93.838 / 93.NJH 24008306	66.471	0	
Lung Diseases Research		GFE	93.838 / 93.NJH 24008706	19.188	0	
Lung Diseases Research		GFE	93.838 / 93.NJH HL56263-06	6.359	0	
Lung Diseases Research		GFE	93.838 / 93.NJH HL56556-05	26.958	0	
Lung Diseases Research		GFE	93.838 / 93.NJH N01-HR-76111	0	28.058	
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.NJH DK48845-05 R01	(787)	0	
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.NJH A120519	3.128	0	
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.NJH R01 AG13983	33.413	0	
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.NJH R01 A120519	35.811	0	
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.NJH R01 A136676	24.883	0	
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.PN00008-095	8.230	0	
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.PN0012-124	39.015	0	
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.PN0107-019	79.430	0	
NSABP FOUNDATION, INC						
Cancer Treatment Research		GFE	93.395 / 93.NSABP TFD032A-340	22.638	0	
PENNSYLVANIA STATE UNIVERSITY						
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.2201-UC-DHMS-3958	5.412	0	
RAND CORPORATION						
Aging Research		GFB	93.866 / 93.12281298.50.15	7.813	0	
RUSH PRESBYTERIAN, CHICAGO						
Aging Research		GFE	93.866 / 93.R01 AG 17092-03	103.848	0	
SCRIPPS RESEARCH INSTITUTE						
Alcohol National Research Service Awards for Research Training		GFE	93.272 / 93.PN0110-056	34.404	0	
Alcohol National Research Service Awards for Research Training		GFE	93.272 / 93.PN0110-061	54.665	0	
SIGNAL BEHAVIORAL HEALTH NETWORK						
Drug Abuse Research Programs		GFE	93.279 / 93.PN0103-006	76.355	0	
Drug Abuse Research Programs		GFE	93.279 / 93.PN0202-058	95.339	0	
SOCIAL AND SCIENTIFIC SYSTEMS						
Microbiology and Infectious Diseases Research		GFE	93.856 / 93.202PC001	65.288	0	
Microbiology and Infectious Diseases Research		GFE	93.856 / 93.AACTG.LD360.06	15.650	0	
Microbiology and Infectious Diseases Research		GFE	93.856 / 93.SSS 011C002	300.979	0	
Microbiology and Infectious Diseases Research		GFE	93.856 / 93.SSS 200VC005	326.901	0	
Microbiology and Infectious Diseases Research		GFE	93.856 / 93.SSS A138858	224.692	0	
Microbiology and Infectious Diseases Research		GFE	93.856 / 93.SSS A138858-06	226.312	0	
SOUTHWEST ONCOLOGY CANCER THERAPY RESEARCH						
Cancer Treatment Research		GFE	93.395 / 93.1 R01 CA79099	15.206	0	
Cancer Treatment Research		GFE	93.395 / 93.SWOG 01004	5.435	0	
Cancer Treatment Research		GFE	93.395 / 93.SWOG 01038	18.288	0	
Cancer Treatment Research		GFE	93.395 / 93.SWOG 02014	4.308	0	
Cancer Treatment Research		GFE	93.395 / 93.SWOG 02017	15.367	0	
Cancer Treatment Research		GFE	93.395 / 93.SWOG IMED0004	(2,318)	30,000	
Cancer Treatment Research		GFE	93.395 / 93.SWOG-01032	73	0	
Cancer Control		GFE	93.399 / 93.SWOG CCOF-00013	10.697	0	
Cancer Control		GFE	93.399 / 93.SWOG CCOF-01000	1,629.855	0	
Cancer Control		GFE	93.399 / 93.SWOG PCPT9310	8.503	0	
STANFORD UNIVERSITY						
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.USTAN PR-1111	37.188	0	
STATE UNIVERSITY NEW YORK AT STONY BROOK						
Biological Basis Research in the Neurosciences		GFE	93.854 / 93.008893-1012669/1	(179)	0	
Biological Basis Research in the Neurosciences		GFE	93.854 / 93.SUNYSB 008893	147.718	0	
THE UNIVERSITY OF KANSAS CENTER FOR RSCH, INC						
Digestive Diseases and Nutrition Research		GFE	93.848 / 93.KU FY2001-67 MOD#1	11.169	0	
Digestive Diseases and Nutrition Research		GFE	93.848 / 93.KUCR R01 DK58385-01	33.050	0	
Texas A & M						
R&D		GGB	93.S900220	48.392	0	
UNIVERSITY OF ALABAMA						
Microbiology and Infectious Diseases Research		GFE	93.856 / 93.UAB N01-AI65306	3.596	0	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
UNIVERSITY OF ALABAMA AT BIRMINHAM Microbiology and Infectious Diseases Research		GFE	93.856 / 93.N01-AI-65306		1,542	0
UNIVERSITY OF ARIZONA Cancer Cause and Prevention Research		GFE	93.393 / 93.V399468		64,249	0
Cancer Cause and Prevention Research		GFE	93.393 / 93.V901136		116,341	0
Cancer Control		GFE	93.399 / 93.UOFAZ M392632		34,216	0
UNIVERSITY OF ARKANSAS Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.UARK 0018382		29	0
UNIVERSITY OF CALIFORNIA AT IRVINE Cancer Treatment Research		GFE	93.395 / 93.UCIR N01-CN-70519		2,766	0
UNIVERSITY OF CALIFORNIA AT SAN DIEGO Mental Health Research Grants		GFB	93.242 / 93.10196808		35,394	0
UNIVERSITY OF CALIFORNIA AT SAN FRANCISCO Cancer Cause and Prevention Research		GFE	93.393 / 93.UCSF 2821SC		19,659	0
Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.GRU0023FGS-N-02		49,921	0
UNIVERSITY OF CHICAGO Clinical Research		GFE	93.333 / 93.ITN 5-30471-8603		17,845	0
Kidney Diseases, Urology and Hematology Research		GFE	93.849 / 93.DK55357		3,557	0
Kidney Diseases, Urology and Hematology Research		GFE	93.849 / 93.R01 DK55357-03		79,008	0
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.ITN 5-30319-8604		148,660	0
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.ITN 5-30474-8603		39,890	0
UNIVERSITY OF CINCINNATI Cancer Cause and Prevention Research		GFE	93.393 / 93.UC CA76293-03		107,092	0
Lung Diseases Research		GFE	93.838 / 93.UC CA76293-03		33,690	0
UNIVERSITY OF IOWA Cancer Biology Research		GFE	93.396 / 93.P0#4000076828		43,512	0
Biological Basis Research in the Neurosciences		GFE	93.854 / 93.IOWA 1934		3,202	0
UNIVERSITY OF KANSAS Digestive Diseases and Nutrition Research		GFE	93.848 / 93.KU DK49181-04 5 R01		61,749	0
UNIVERSITY OF KENTUCKY Mental Health Research Grants		GFE	93.242 / 93.UKRF 4-62325-02-212		15,825	0
Aging Research		GFB	93.866 / 93.4-29853-96-254		(3,292)	0
UNIVERSITY OF MIAMI Diabetes, Endocrinology and Metabolism Research		GFE	93.847 / 93.UMIAMI H662890		69,939	0
UNIVERSITY OF MICHIGAN Oral Diseases and Disorders Research		GFB	93.121 / 93.F006618		12,633	0
Heart and Vascular Diseases Research		GFE	93.837 / 93.HL68345-01 1 R01		65,466	0
UNIVERSITY OF NEW MEXICO Center for Research for Mothers and Children		GFE	93.865 / 93.1 R01 HD38540-01A2		22,190	0
UNIVERSITY OF NORTH CAROLINA Cancer Treatment Research		GFE	93.395 / 93.UNC CA62476-04		7,099	0
UNIVERSITY OF PENNSYLVANIA Digestive Diseases and Nutrition Research		GFE	93.848 / 93.5-38015C		4,684	0
UNIVERSITY OF PITTSBURGH Microbiology and Infectious Diseases Research		GFE	93.856 / 93.UPITTS A143664		244,527	0
UNIVERSITY OF ROCHESTER Mental Health Research Grants		GFE	93.242 / 93.MH61428-02 1 R01		101,362	0
Extramural Research Programs in the Neurosciences and Neurological Disorders		GFE	93.853 / 93.UROCH NS37167(1)		3,220	0
UNIVERSITY OF SOUTH CAROLINA Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.USC A147469		52,467	0
Aging Research		GFE	93.866 / 93.0008-054-LC		78,277	0
UNIVERSITY OF SOUTH FLORIDA Aging Research		GFE	93.866 / 93.6155-032-L0-A		360,150	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY						
MAJOR SUBDIVISION OF FEDERAL AGENCY						
SOURCE TYPE (DIRECT OR PASS-THROUGH)						
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	NONCASH	STATE <sup>1</sup>			DIRECT	PASSED TO
PROGRAM NAME	INDICATOR	AGENCY	CFDA / OTHER ID NUMBER		EXPENDITURES	SUBRECIPIENTS
UNIVERSITY OF SOUTHERN CALIFORNIA						
Cancer Cause and Prevention Research		GFE	93.393 / 93.5 U01 CA74799-05		186.056	169.792
Cancer Cause and Prevention Research		GFE	93.393 / 93.USC H08021-01		47.463	89.029
UNIVERSITY OF TEXAS AT SAN ANTONIO						
Mental Health Research Grants		GFE	93.242 / 93.N01MH60014		7.445	0
UNIVERSITY OF TEXAS SW MEDICAL CENTER						
Cancer Centers Support		GFE	93.397 / 93.UTSMC CA70907		48.869	22.712
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.5 R01 A142772-04		11.230	0
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.A142772-03 5 R01		19.370	0
UNIVERSITY OF TEXAS, HOUSTON						
Cancer Centers Support		GFE	93.397 / 93.UTEXH N01-AR-0-2249		41.315	0
UNIVERSITY OF UTAH						
Cancer Cause and Prevention Research		GFE	93.393 / 93.UTAH 9709055		364.638	0
UNIVERSITY OF VERMONT						
Heart and Vascular Diseases Research		GFC	93.837 / 93.HL61346-01A1		12.203	0
Allergy, Immunology and Transplantation Research		GFC	93.855 / 93.1P01A145666-02SI		9.220	0
Allergy, Immunology and Transplantation Research		GFC	93.855 / 93.1P01 A145666-01		55.353	0
UNIVERSITY OF WASHINGTON						
Cell Biology and Biophysics Research		GFB	93.821 / 93.573427		(4.975)	0
Cell Biology and Biophysics Research		GFB	93.821 / 93.763778		(4.350)	0
UNIVERSITY OF WISCONSIN						
Blood Diseases and Resources Research		GFE	93.839 / 93.HL65217-01 R01		106.612	0
University of California-Los Angeles						
R&D		GGB	93.1554 G 98989		42.202	0
University of Miami						
R&D		GGB	93.PO M640104: 665235		125.721	0
VIRGINIA COMMONWEALTH UNIVERSITY						
Genetics and Developmental Biology Research and Research Training		GFB	93.862 / 93.527761/P182597		(1)	0
VIRGINIA MASON RESEARCH CENTER						
Allergy, Immunology and Transplantation Research		GFE	93.855 / 93.5 R01 A144431-03		128.918	0
WAKE FOREST UNIVERSITY SCHOOL OF MEDICINE						
Cancer Treatment Research		GFB	93.395 / 93.R01 CA83953		46.319	0
Extramural Research Programs in the Neurosciences and Neurological Disorders		GFE	93.853 / 93.R01 NS34447		25.407	0
Extramural Research Programs in the Neurosciences and Neurological Disorders		GFE	93.853 / 93.WFUSM NS34447		651	0
WESTAT, INC						
Microbiology and Infectious Diseases Research		GFE	93.856 / 93.WESTAT N01HD-3-3162		560.675	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					10,058.180	410.426
SUBTOTAL NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES					173,176.189	19,746.516
OFFICE OF POLICY AND EVALUATION, ADMINISTRATION FOR CHILDREN AND FAMILIES DEPARTMENT OF HEALTH AND HUMAN SERVICES						
DIRECT FROM:						
OFFICE OF POLICY AND EVALUATION, ADMINISTRATION FOR CHILDREN AND FAMILIES DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Social Services Research and Demonstration						
		GFE	93.647		123.883	0
SUBTOTAL DIRECT FROM:					123.883	0
SUBTOTAL OFFICE OF POLICY AND EVALUATION, ADMINISTRATION FOR CHILDREN AND FAMILIES DEPARTMENT OF HEALTH AND HUMAN SERVICES					123.883	0
OFFICE OF PUBLIC HEALTH AND SCIENCE, DEPARTMENT OF HEALTH AND HUMAN SERVICES						
PASS-THROUGH PROGRAMS FROM:						
ABT ASSOCIATES INC						
Family Planning: Services						
		GFE	93.217 / 93.ABT 278-C-0059-00		268.162	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:					268.162	0
SUBTOTAL OFFICE OF PUBLIC HEALTH AND SCIENCE, DEPARTMENT OF HEALTH AND HUMAN SERVICES					268.162	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES									
PASS-THROUGH PROGRAMS FROM:									
DENVER HEALTH AND HOSPITAL									
Public Health and Social Services Emergency Fund									
					GFE		93.003 / 93.PN0106-060	39,249	0
								-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								39,249	0
								-----	-----
SUBTOTAL OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES								39,249	0
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES									
DIRECT FROM:									
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES									
Consolidated Knowledge Development and Application (KD&A) Program									
					GGB		93.230	207,122	66,997
Consolidated Knowledge Development and Application (KD&A) Program									
					GKA		93.230 / 93.1 UD1 SP09589-01	15,556	0
Consolidated Knowledge Development and Application (KD&A) Program									
					GKA		93.230 / 93.4 UD1 SP08328-0302	206,220	25,541
Mental Health Clinical and AIDS Service-Related Training Grants									
					GFB		93.244	248,235	0
								-----	-----
SUBTOTAL DIRECT FROM:								677,133	92,538
PASS-THROUGH PROGRAMS FROM:									
DENVER HEALTH AND HOSPITAL									
Community-Based Comprehensive HIV/STD/TB Outreach Services for High Risk Substance Abusers Demonstration Pr									
					GFE		93.949 / 93.DHH 97-086B-E	(50)	0
								-----	-----
SUBTOTAL PASS-THROUGH PROGRAMS FROM:								(50)	0
								-----	-----
SUBTOTAL SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES								677,083	92,538
								-----	-----
SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES								201,597,079	21,915,994
								-----	-----
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE									
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE									
DIRECT FROM:									
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE									
Learn and Serve America: Higher Education									
					GGB		94.005	1,288	0
								-----	-----
SUBTOTAL DIRECT FROM:								1,288	0
								-----	-----
SUBTOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE								1,288	0
								-----	-----
SUBTOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE								1,288	0
								-----	-----
SUBTOTAL RESEARCH AND DEVELOPMENT - CLUSTER								425,712,419	43,942,640
								-----	-----

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.



STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
SECT 8 - CLUSTER									
*****									
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
DIRECT FROM:									
PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
Lower Income Housing Assistance Program: Section 8 Moderate Rehabilitation					IHH	14.856		48,722	0
Lower Income Housing Assistance Program: Section 8 Moderate Rehabilitation					NAA	14.856		301,949	24,375
								-----	-----
SUBTOTAL DIRECT FROM:								350,671	24,375
SUBTOTAL PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								-----	-----
								350,671	24,375
SUBTOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								-----	-----
								350,671	24,375
SUBTOTAL SECT 8 - CLUSTER								-----	-----
								350,671	24,375

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY									
MAJOR SUBDIVISION OF FEDERAL AGENCY									
SOURCE TYPE (DIRECT OR PASS-THROUGH)									
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)									
PROGRAM NAME	NONCASH	STATE <sup>1</sup>				DIRECT		PASSED TO	
	INDICATOR	AGENCY	CFDA /	OTHER ID NUMBER		EXPENDITURES		SUBRECIPIENTS	
STUDENT FINANCIAL AID - CLUSTER									
*****									
DEPARTMENT OF EDUCATION									
OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION									
DIRECT FROM:									
OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION									
Federal Supplemental Educational Opportunity Grants		GFB	84.007			1,221,936		0	
Federal Supplemental Educational Opportunity Grants		GFC	84.007			184,621		0	
Federal Supplemental Educational Opportunity Grants		GFE	84.007			185,143		0	
Federal Supplemental Educational Opportunity Grants		GGB	84.007			997,343		0	
Federal Supplemental Educational Opportunity Grants		GGH	84.007			212,689		0	
Federal Supplemental Educational Opportunity Grants		GGJ	84.007			471,713		0	
Federal Supplemental Educational Opportunity Grants		GHB	84.007			145,580		0	
Federal Supplemental Educational Opportunity Grants		GHC	84.007			147,774		0	
Federal Supplemental Educational Opportunity Grants		GHD	84.007			456,683		0	
Federal Supplemental Educational Opportunity Grants		GJB	84.007			70,042		0	
Federal Supplemental Educational Opportunity Grants		GJC	84.007			27,369		0	
Federal Supplemental Educational Opportunity Grants		GJE	84.007			261,381		0	
Federal Supplemental Educational Opportunity Grants		GJF	84.007			15,484		0	
Federal Supplemental Educational Opportunity Grants		GJH	84.007			55,214		0	
Federal Supplemental Educational Opportunity Grants		GJJ	84.007			165,410		0	
Federal Supplemental Educational Opportunity Grants		GJK	84.007			125,824		0	
Federal Supplemental Educational Opportunity Grants		GJR	84.007			20,568		0	
Federal Supplemental Educational Opportunity Grants		GJT	84.007			25,368		0	
Federal Supplemental Educational Opportunity Grants		GKA	84.007			269,866		0	
Federal Supplemental Educational Opportunity Grants		GHE	84.007	*		142,622		0	
Federal Supplemental Educational Opportunity Grants		GJD	84.007	/	84.84.007A	195,997		0	
Federal Supplemental Educational Opportunity Grants		GLA	84.007	/	84.P007A010707	175,866		0	
Federal Family Education Loans		GDA	84.032			66,495,593		0	
Federal Family Education Loans		GGH	84.032			316,827		0	
Federal Family Education Loans		GKA	84.032			398,729		0	
Federal Family Education Loans		GRA	84.032			11,116,751		0	
Federal Family Education Loans		GFC	84.032	*		141,887		0	
Federal Work-Study Program		GFB	84.033			1,873,024		0	
Federal Work-Study Program		GFC	84.033			545,196		0	
Federal Work-Study Program		GFE	84.033			439,001		0	
Federal Work-Study Program		GGB	84.033			1,067,556		0	
Federal Work-Study Program		GGH	84.033			182,697		0	
Federal Work-Study Program		GGJ	84.033			545,604		0	
Federal Work-Study Program		GHB	84.033			289,320		0	
Federal Work-Study Program		GHC	84.033			280,431		0	
Federal Work-Study Program		GHD	84.033			672,104		0	
Federal Work-Study Program		GJB	84.033			116,813		0	
Federal Work-Study Program		GJC	84.033			143,130		0	
Federal Work-Study Program		GJD	84.033			232,178		0	
Federal Work-Study Program		GJE	84.033			169,442		0	
Federal Work-Study Program		GJF	84.033			39,939		0	
Federal Work-Study Program		GJG	84.033			37,048		0	
Federal Work-Study Program		GJH	84.033			61,791		0	
Federal Work-Study Program		GJJ	84.033			336,217		0	
Federal Work-Study Program		GJK	84.033			211,924		0	
Federal Work-Study Program		GJL	84.033			117,543		0	
Federal Work-Study Program		GJM	84.033			2,710,276		0	
Federal Work-Study Program		GJR	84.033			87,261		0	
Federal Work-Study Program		GJT	84.033			30,397		0	

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY				NONCASH	STATE <sup>1</sup>	DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY				INDICATOR	AGENCY	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)					CFDA / OTHER ID NUMBER		
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)							
PROGRAM NAME							
Federal Work-Study Program					GKA 84.033	511,627	0
Federal Work-Study Program				*	GHE 84.033	128,108	0
Federal Work-Study Program					GLA 84.033 / 84.P033A000707	18,653	0
Federal Work-Study Program					GLA 84.033 / 84.P033A010707	157,626	0
Federal Perkins Loan Program: Federal Capital Contributions					GFB 84.038	121,715	0
Federal Perkins Loan Program: Federal Capital Contributions					GFC 84.038	58,016	0
Federal Perkins Loan Program: Federal Capital Contributions					GFE 84.038	117,221	0
Federal Perkins Loan Program: Federal Capital Contributions					GGB 84.038	133,688	0
Federal Perkins Loan Program: Federal Capital Contributions					GGH 84.038	31,038	0
Federal Perkins Loan Program: Federal Capital Contributions					GHB 84.038	4,997	0
Federal Perkins Loan Program: Federal Capital Contributions					GHC 84.038	21,926	0
Federal Perkins Loan Program: Federal Capital Contributions					GHD 84.038	174,878	0
Federal Perkins Loan Program: Federal Capital Contributions					GJT 84.038	25,885	0
Federal Perkins Loan Program: Federal Capital Contributions					GKA 84.038	17,651	0
Federal Perkins Loan Program: Federal Capital Contributions					GLA 84.038 / 84.P038A010707	43,756	0
Federal Direct Student Loans					GFB 84.268	75,491,130	0
Federal Direct Student Loans					GFE 84.268	23,586,119	0
Federal Direct Student Loans					GGB 84.268	69,922,187	0
SUBTOTAL DIRECT FROM:						264,799,393	0
PASS-THROUGH PROGRAMS FROM:							
FEDERAL COLLEGE W/S PROGRAM							
Federal Work-Study Program					GFD 84.033 / 84.P033A010750	610,914	0
FFEL LOAN GUARANTEES							
Federal Family Education Loans				*	GFD 84.032	447,714	0
MOWD							
Federal Work-Study Program					GJD 84.033 / 84.10195	22,012	0
Federal Work-Study Program					GJD 84.033 / 84.21040	22,271	0
PERKINS LOAN PROG - FCC							
Federal Perkins Loan Program: Federal Capital Contributions					GFD 84.038 / 84.P038A010750	57,958	0
SUPPLEMENTAL EDUC. OPP. GRANT							
Federal Supplemental Educational Opportunity Grants					GFD 84.007 / 84.P007A010750	363,608	0
Various State Lenders							
Federal Family Education Loans					GHE 84.032	104,795	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:						1,629,272	0
SUBTOTAL OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION						266,428,665	0
OFFICE OF POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION							
DIRECT FROM:							
OFFICE OF POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION							
Federal Pell Grant Program					GFB 84.063	7,626,631	0
Federal Pell Grant Program					GFC 84.063	2,855,254	0
Federal Pell Grant Program					GFE 84.063	197,801	0
Federal Pell Grant Program					GGB 84.063	8,145,017	0
Federal Pell Grant Program					GGH 84.063	3,001,938	0
Federal Pell Grant Program					GGJ 84.063	4,488,343	0
Federal Pell Grant Program					GHB 84.063	2,426,881	0
Federal Pell Grant Program					GHC 84.063	4,468,471	0
Federal Pell Grant Program					GHD 84.063	9,246,190	0
Federal Pell Grant Program					GHE 84.063	1,338,380	0
Federal Pell Grant Program					GJB 84.063	1,692,533	0
Federal Pell Grant Program					GJC 84.063	1,648,585	0
Federal Pell Grant Program					GJD 84.063	4,869,889	0
Federal Pell Grant Program					GJE 84.063	4,728,773	0
Federal Pell Grant Program					GJF 84.063	992,887	0
Federal Pell Grant Program					GJG 84.063	870,738	0
Federal Pell Grant Program					GJH 84.063	1,466,094	0
Federal Pell Grant Program					GJJ 84.063	5,263,582	0

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY				NONCASH	STATE <sup>1</sup>	DIRECT	PASSED TO
MAJOR SUBDIVISION OF FEDERAL AGENCY				INDICATOR	AGENCY	EXPENDITURES	SUBRECIPIENTS
SOURCE TYPE (DIRECT OR PASS-THROUGH)					CFDA / OTHER ID NUMBER		
ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)							
PROGRAM NAME							
			Federal Pell Grant Program		GJK 84.063	5,223,095	0
			Federal Pell Grant Program		GJL 84.063	1,500,818	0
			Federal Pell Grant Program		GJR 84.063	1,112,344	0
			Federal Pell Grant Program		GJT 84.063	507,838	0
			Federal Pell Grant Program		GKA 84.063	4,364,560	0
			Federal Pell Grant Program		GLA 84.063 / 84.P063P000245	2,019	0
			Federal Pell Grant Program		GLA 84.063 / 84.P063P010245	955,420	0
SUBTOTAL DIRECT FROM:						78,994,081	0
PASS-THROUGH PROGRAMS FROM:							
PELL GRANT PROGRAM							
			Federal Pell Grant Program		GFD 84.063 / 84.P063P012282	3,216,686	0
SUBTOTAL PASS-THROUGH PROGRAMS FROM:						3,216,686	0
SUBTOTAL OFFICE OF POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION						82,210,767	0
SUBTOTAL DEPARTMENT OF EDUCATION						348,639,432	0
-----							
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
DIRECT FROM:							
HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES							
			Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students		GFE 93.342	12,011	0
			Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students		GGB 93.342	19,071	0
			Nursing Student Loans		GFE 93.364	75,707	0
			Scholarships for Students of Exceptional Financial Need		GFE 93.820	9,989	0
SUBTOTAL DIRECT FROM:						116,778	0
SUBTOTAL HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES						116,778	0
SUBTOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES						116,778	0
SUBTOTAL STUDENT FINANCIAL AID - CLUSTER						348,756,210	0
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<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

PROGRAM TYPE (UNCLUSTERED OR CLUSTERED)

FEDERAL AGENCY	MAJOR SUBDIVISION OF FEDERAL AGENCY	SOURCE TYPE (DIRECT OR PASS-THROUGH)	ASSISTANCE PROVIDER (MAJOR SUBDIVISION OF FEDERAL AGENCY OR PASS-THROUGH ENTITY)	PROGRAM NAME	NONCASH INDICATOR	STATE <sup>1</sup> AGENCY	CFDA / OTHER ID NUMBER	DIRECT EXPENDITURES	PASSED TO SUBRECIPIENTS
TRANSIT CAPITAL GRANTS - CLUSTER									
*****									
DEPARTMENT OF TRANSPORTATION									
FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION									
DIRECT FROM:									
FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION									
Federal Transit: Formula Grants									
					HAA	20.507		84.811	4,215.115
								-----	-----
SUBTOTAL DIRECT FROM:									
								84.811	4,215.115
								-----	-----
SUBTOTAL FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION									
								84.811	4,215.115
								-----	-----
SUBTOTAL DEPARTMENT OF TRANSPORTATION									
								84.811	4,215.115
								-----	-----
SUBTOTAL TRANSIT CAPITAL GRANTS - CLUSTER									
								84.811	4,215.115
								-----	-----
TOTAL								3,397,926.270	1,169,210.879

<sup>1</sup> - See Note 5 for a listing of State agency codes and agency names.

STATE OF COLORADO  
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

*Note 1. Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the State of Colorado agencies and institutions of higher education. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Under A-133, an award is considered expended when certain events related to the award occur. These include:

- Expenditure/expense transactions associated with grants, cost reimbursement contracts, cooperative agreements, and direct appropriations. The State of Colorado recognizes expenditures/expenses on the modified accrual or full accrual basis depending on the fund used. See note I-c of the General Purpose Financial Statements for additional information.
- Disbursement of amounts entitling the state to an interest subsidy
- Use of loan proceeds under loan and loan guarantee programs
- Distribution or consumption of food commodities
- Receipt of property or surplus property
- Disbursement of funds to subrecipients
- The period when insurance is in force
- Receipt or use of program income

As a result of these criteria, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.

*Note 2. Organization of the Schedule*

Assistance reported in the Schedule of Expenditures of Federal Awards is grouped first by program clusters as defined in the Compliance Supplement then by federal agency and then by major subdivision of federal agency. Programs not included in clusters are reported under Catalog of Federal Domestic Assistance (CFDA) numbers or other identifying numbers at the front of the Schedule in a section titled Unclustered Programs. In order to determine the total assistance provided to the State of Colorado by an individual federal agency, amounts provided by the federal agency must be identified in individual clusters as well as in the Unclustered Programs section.

*Note 3. Other Assistance*

Most noncash assistance is reported in the Schedule of Expenditures of Federal Awards and indicated by an asterisk in the column titled Noncash Indicator. The following provides additional information related to items that federal agencies may consider to be assistance.

- A. The State Department of Labor and Employment expended \$542,410,202 for grant 17.225 - Unemployment Insurance. The total expenditure amount includes the federal portion of the grant and the required state match in the amounts of \$37,378,649 and \$505,031,553, respectively.

*Note 4. Subrecipients*

All amounts passed-through to subrecipients are identified in the Schedule of Expenditures of Federal Awards under the column titled Passed to Subrecipients.

STATE OF COLORADO  
 SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

Note 5. State Agency Codes and Names

AGENCY CODE	AGENCY NAME	AGENCY CODE	AGENCY NAME	AGENCY CODE	AGENCY NAME
AMA	COLO INFO TECHNOLOGY SVCS	GJA	COLO COMM COLL & OCC ED SYS	ILB	STATE VET CENTER AT HOMELAKE
BAA	DEPARTMENT OF AGRICULTURE	GJB	ARAPAHOE COMMUNITY COLLEGE	ILC	VET NURSING HOME AT FLORENCE
CAA	CORRECTIONS ADMINISTRATION	GJC	COMMUNITY COLLEGE OF AURORA	ILD	VET NURSING HOME AT RIFLE
CFB	SURPLUS PROPERTY	GJD	COMMUNITY COLLEGE OF DENVER	ILE	WALSENBURG VET NURSING HOME
DAA	DEPARTMENT OF EDUCATION	GJE	FRONT RANGE COMMUNITY COLLEGE	JAA	JUDICIAL
EAA	OFFICE OF THE GOVERNOR	GJF	LAMAR COMMUNITY COLLEGE	KAA	DEPT OF LABOR AND EMPLOYMENT
EDA	OFFICE OF ECONOMIC DEVELOPMENT	GJG	MORGAN COMMUNITY COLLEGE	LAA	DEPARTMENT OF LAW
EFA	OFFICE OF ENERGY CONSERVATION	GJH	OTERO JUNIOR COLLEGE	NAA	DEPARTMENT OF LOCAL AFFAIRS
FAA	DEPT OF PUB HLTH & ENVIRONMENT	GJJ	PIKES PEAK COMMUNITY COLLEGE	OAA	DIVISION OF NATIONAL GUARD
GAA	COLO COMMISSION ON HIGHER ED	GJK	PUEBLO COMMUNITY COLLEGE	PAA	DNR - EXECUTIVE DIRECTOR
GBA	COLORADO COUNCIL ON THE ARTS	GJL	RED ROCKS COMMUNITY COLLEGE	PBA	DIVISION OF WILDLIFE
GCA	STATE HISTORICAL SOCIETY	GJM	TRINIDAD STATE JUNIOR COLLEGE	PDA	WATER CONSERVATION BOARD
GDA	COLORADO STUDENT LOAN	GJP	LOWRY HEAT CENTER	PEA	DIVISION OF WATER RESOURCES
GFA	CU - REGENTS	GJR	NORTHEASTERN JUNIOR COLLEGE	PHA	OIL AND GAS CONSERVATION COMM
GFB	CU - BOULDER	GJT	NORTHWESTERN COMMUNITY COLLEGE	PIA	COLORADO GEOLOGICAL SURVEY
GFC	CU - COLORADO SPRINGS	GKA	UNIVERSITY OF NORTHERN COLO	PJA	PARKS AND OUTDOOR RECREATION
GFD	CU - DENVER	GLA	COLORADO SCHOOL OF MINES	PKA	MINED LAND RECLAMATION DIV
GFE	CU - HEALTH SCIENCE CENTER	GMA	AURARIA HIGHER EDUCATION CTR	RAA	DEPARTMENT OF PUBLIC SAFETY
GGB	COLORADO STATE UNIVERSITY	GRA	CO STUDENT OBLIGATION BOND AUT	SDA	CIVIL RIGHTS DIVISION
GGH	FORT LEWIS COLLEGE	HAA	COLO DEPT OF TRANSPORTATION	SFA	DIVISION OF INSURANCE
GGJ	UNIVERSITY OF SOUTHERN COLO	IHA	DEPARTMENT OF HUMAN SERVICES	SGA	PUBLIC UTILITIES COMMISSION
GHB	ADAMS STATE COLLEGE	IHH	PUBLIC HOUSING AUTHORITY	TAA	REVENUE - ADMINISTRATION
GHC	MESA STATE COLLEGE	IHM	ALCOHOL AND DRUG ABUSE DIV	UHA	DEPT OF HLTH CARE POLICY & FIN
GHD	METROPOLITAN STATE COLLEGE	IIA	OHR - ADMINISTRATIVE OFFICES	WBA	TREASURY - OPERATING
GHE	WESTERN STATE COLLEGE	IKA	DIV OF YOUTH CORRECTIONS		



## STATE OF COLORADO

JOANNE HILL, CPA  
State Auditor

**OFFICE OF THE STATE AUDITOR**  
(303) 869-2800  
FAX(303) 869-3060

Legislative Services Building  
200 East 14th Avenue  
Denver, Colorado 80203-2211

November 26, 2002

### **Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

Members of the Legislative Audit Committee:

We have audited the financial statements of the State of Colorado, as of and for the year ended June 30, 2002, and have issued our report thereon dated November 26, 2002. We conducted our audit in accordance with generally accepted auditing standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether the State of Colorado's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Governmental Auditing Standards*.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the State of Colorado's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the State of Colorado's ability to record,



process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as Recommendation Nos. 1, 3-7, 9-10, 16-17, 22-23.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose the reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.



STATE OF COLORADO

JOANNE HILL, CPA  
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Legislative Services Building  
200 East 14th Avenue  
Denver, Colorado 80203-2211

November 26, 2002

**Independent Auditor's Report on Compliance  
With Requirements Applicable to Each Major Program  
and Internal Control Over Compliance  
in Accordance With OMB Circular A-133**

Members of the Legislative Audit Committee:

Compliance

We have audited the compliance of the State of Colorado, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. The State of Colorado's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the State of Colorado's management. Our responsibility is to express an opinion on the State of Colorado's compliance based on our audit.

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 State, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State of Colorado's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the State of Colorado's compliance with those requirements.

In our opinion, the State of Colorado complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for

the year ended June 30, 2002. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Recommendation Nos. 24-37, 39, 43, 46-47, 51-52, 54, 56-93.

### Internal Control Over Compliance

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

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the State of Colorado's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as Recommendation Nos. 24-30, 40-41, 43, 46-49, 51-52, 58-60, 64-75, 88.

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

## APPENDIX A

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### FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Department of Corrections</b>						
1	32	Establish a policy for recording the value of donated property.	N/A	Partially agree	3/1/2003	N/A
<b>Department of Health Care Policy and Financing</b>						
24	106	Ensure payments are made only for allowable costs under the Medicaid program by (a) continuing to monitor and document the results of the newly established procedures to randomly test pharmaceutical providers' compliance with requirements for maintaining chronological logs of the Medicaid recipient signatures, and (b) performing periodic reviews of services that require prior authorization and ensuring that MMIS system edits are properly identifying and denying services lacking the required authorization.	93.777, 93.778 (B) HHS	Agree	a. Ongoing b. 3/2003	Phil Reed (303)866-2764
25	109	Strengthen controls over the data in systems used as the basis for determining beneficiaries' eligibility to receive Medicaid services by (a) performing random testing of eligibility information in the COIN and Trails systems and making corrections as appropriate and (b) establishing procedures to ensure that COIN is updated accurately to reflect the date of death for all beneficiaries and that payments that are made after the beneficiary's death are recovered from providers.	93.777, 93.778 (E) HHS	Agree	1/2004	Phil Reed (303)866-2764

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
26	111	Continue to improve controls over provider eligibility by (a) requiring the fiscal agent to review all provider files to ensure each file includes a current provider agreement and documentation of applicable provider licenses and registrations, (b) revising control procedures to ensure expenditures are made only to eligible providers, and (c) developing procedures to update provider licensing information on an annual basis to ensure its accuracy for changes that occur throughout a given year.	93.777, 93.778 (N) HHS	Agree	a. 11/1/2003 b. 2005 c. Ongoing	Phil Reed (303)866-2764
27	113	Date stamp all rate revisions and reviews when received and all rate information sent to provider facilities.	93.777, 93.778 (N) HHS	Agree	11/1/2002	Phil Reed (303)866-2764
28	114	Require that the fiscal agent generate accurate claims summary reports for settling all hospital outpatient service claims payments within a specified time frame. If reports meeting the Department's requirements are not produced within the time frame, the Department should assess liquid damages against the fiscal agent.	93.777, 93.778 (N) HHS	Agree	1/2003	Phil Reed (303)866-2764
<p><b>Department of Human Services and Department of Health Care Policy and Financing</b></p> <p><b>Department of Human Services</b></p>						
29	119	Implement procedures to ensure that only allowable costs for RTC services are paid.	93.777, 93.778 (A) (B) (E) HHS	Agree	7/1/2003	Dick Taylor (303)866-2732

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Department of Health Care Policy &amp; Financing</b>						
30	120	Implement procedures to ensure that only allowable costs for RTC services are paid by verifying the accuracy of RTC provider billing and payment information through periodic audits, requiring additional MMIS payment edits, and seeking to recover overpaid amounts.	93.777, 93.778 (A) (B) (E) HHS	Agree	10/2002	Joe Keebaugh (303)866-2487
31	125	Follow up on the results of the data match performed by the Office of the State Auditor between the Colorado Indigent Care Program and the Medicaid program, and seek reimbursement as appropriate.	93.777, 93.778 (P) HHS	Partially agree	7/1/2002	Joe Keebaugh (303)866-2487
32	126	Ensure that applicants for the Colorado Indigent Care Program are screened for Medicaid eligibility in all appropriate instances by training providers on Medicaid eligibility screening procedure.	93.777, 93.778 (P) HHS	Agree	7/1/2002	Joe Keebaugh (303)866-2487
33	126	Ensure post-year-end retroactive adjustments are made to charges for the Colorado Indigent Care Program by developing and implementing procedures for providers to report these adjustments.	93.777, 93.778 (P) HHS	Agree	10/31/2002	Joe Keebaugh (303)866-2487
34	131	Reduce the projected Fiscal Year 2002 payment for University Hospital to reflect the provider's overbilling of the State related to the Medicare contractual adjustments of approximately \$6.7 million and work with the Centers for Medicare and Medicaid Services to determine additional actions the State should take with respect to prior overpayments.	93.777, 93.778 (P) HHS	Agree	7/1/2002	Joe Keebaugh (303)866-2487

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
35	131	Ensure charges submitted for the Colorado Indigent Care Program are consistent with the program's intent and reported on the same basis for all providers by (a) developing formal policies regarding the basis for reported charges treatment of adjustments and (b) performing periodic on-site testing of charges and related adjustments.	93.777, 93.778 (P) HHS	Agree	a. 7/1/2002 b. No implementation date provided by the Department	Joe Keebaugh (303)866-2487
36	136	Develop and implement controls over the reimbursement process for the Colorado Indigent Care Program (CICP) by (a) applying the reimbursement methodology consistently to all providers within each CICP provider category and documenting the reasons for any exceptions; (b) obtaining audited information on which to base providers' cost-to-charge ratios; (c) requiring, in instances where audited information is not available, that providers submit all necessary supporting documentation; and (d) informing providers about all policies and procedures related to determining provider reimbursements.	93.777, 93.778 (P) HHS	Agree	10/31/2002	Joe Keebaugh (303)866-2487

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
37	139	Improve controls over the certification process for the Colorado Indigent Care Program (CICP) by (a) formally documenting annual comparisons of certified public expenditures by each provider to the provider's actual CICP write-off costs, (b) obtaining confirmation from the federal Centers for Medicare and Medicaid Services on whether shortfalls in certified expenditures under Component 1A may be offset by excess certifiable expenditures under a different amendment to the State Plan, (c) informing providers of the purpose of certification and that expenditures cannot be certified if they are reimbursed by other federal funds, and (d) requiring that providers include an assurance in each quarterly certification letter stating that no federal funds were received as reimbursement for the certified expenditures, other than those through CICP.	93.777, 93.778 (P) HHS	Partially agree	a. Not applicable b. 7/1/2002 c. 7/1/2002 d. 7/1/2002	Joe Keebaugh (303)866-2487

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### Department of Higher Education

#### Colorado Historical Society

2	35	Perform a complete physical inventory at fiscal year-end or another specified time.	N/A	Agree	6/30/2003	N/A
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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>University of Colorado Health Sciences Center</b>						
38	142	Strengthen controls over the student reconciliation process. Specifically, (a) controls should be formalized into written policies and procedures and should be clearly communicated to Bursar's Office staff; (b) controls should be periodically reviewed to ensure they are being followed consistently and appropriately; and (c) the Office of the Bursar should work to clear outstanding reconciling items between the Student Information System, the loan servicer, and the general ledger, on a timelier basis.	84.038, 84.268, 93.342, 93.364 (P) DOE, HHS	Agree	12/31/2002	Mary Catherine Gaisbauer (303)492-9712
<b>University of Southern Colorado</b>						
39	147	For the Federal Perkins Loan Program (a) strengthen procedures to ensure that adequate documentation is obtained from borrowers to support financial hardship for deferment or cancellation of student loans, (b) modify its loan collection program to ensure that the date a student loan enters repayment status is calculated in accordance with federal guidelines, and (c) strengthen procedures to ensure that student withdrawal information is reported to the National Student Loan Data System for all students.	84.038, (N) DOE	Agree	a. 11/2002 b. 3/2003 c. 1/2003	Valerie Borge (719)549-2133
<b>Pikes Peak Community College</b>						
40	151	Establish procedures to ensure that professional judgments are clearly based on the supporting documentation received from the students and that the professional judgments are adequately documented, providing a clear audit trail.	84.063 (E) DOE	Agree	6/2003	Marianne Berdon (719)540-7603

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Front Range Community College Trinidad State Junior College</b>						
41	152	Front Range Community College should establish procedures to ensure that all graduating Federal Direct Loan borrowers who do not complete exit counseling before graduating receive written exit counseling materials within 30 days following their graduation. Front Range Community College and Trinidad State Junior College should establish procedures to ensure that exit counseling is provided to borrowers who cease at least half-time attendance.	84.032, 84.268 (N) DOE	Agree	6/2003	Mike Kupcho (303)404-5546 Stacey Stacy (719)846-5691
<b>Trinidad State Junior College</b>						
42	153	Establish procedures to ensure that the withdrawal dates of students who withdraw without providing notification are determined at the latest within 30 days after the end of the term.	84.063 (N) DOE	Agree	6/2003	Stacey Stacy (719)846-5691
<b>Front Range Community College</b>						
43	154	Establish procedures to ensure that the institution's portion of a student's unearned Title IV funds are returned within 30 days after the school has determined a student has withdrawn.	84.007,84.033, 84.063 (N) DOE	Agree	6/2003	Mike Kupcho (303)404-5546
<b>Front Range Community College - Westminster</b>						
44	155	Establish procedures to ensure students are requested to repay required grant overpayments.	84.007,84.033, 84.063 (N) DOE	Agree	6/2003	Mike Kupcho (303)404-5546

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Community College of Denver</b>						
45	156	Establish procedures to ensure that Return of Title IV Funds calculations are made properly and to ensure that the school's portion of the unearned aid is returned. This should include a review of all Title IV Funds calculations during the period in question, and errors should be corrected and appropriate action taken.	84.007,84.033, 84.063 (N) DOE	Agree	6/2003	Kevin Callision (303)352-3012
<b>Front Range Community College</b>						
46	157	Establish procedures to ensure that the proper institutional charges are used in the Return of Title IV Funds calculations.	84.007,84.033, 84.063 (N) DOE	Agree	6/2003	Mike Kupcho (303)404-5546
<b>Community College of Denver Pikes Peak Community College Pueblo Community College Front Range Community College - Larimer</b>						
47	158	Establish procedures to ensure that Spring Break is properly excluded from the Return of Title IV Funds calculations.	84.007,84.033, 84.063 (N) DOE	Agree	6/2003	Kevin Callision (303)352-3012 Marianne Berdon (719)540-7603 Colleen Armstrong (719)549-3211 Mike Kupcho (303)404-5546

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Pikes Peak Community College</b>						
48	159	Establish procedures to ensure that the Eligibility Certification Approval Report is kept available for review by auditors.	84.007, 84.033, 84.063 (N) DOE	Agree	6/2003	Marianne Berdon (719)540-7603
<b>Trinidad State Junior College</b>						
49	161	Consider the need to automate the award packaging process and consider the need for additional mitigating controls to ensure proper segregation of duties for carrying out the SFA programs.	84.007, 84.033, 84.063 (E) DOE	Agree	6/2003	Stacey Stacy (719)846-5691
<b>Colorado Community College System</b>						
50	162	Evaluate the student financial aid findings noted above, and ensure all colleges are in compliance and have adequate internal control over the areas noted. Develop systemwide policies to address key student financial requirements such as Return of Title IV Funds and professional judgments.	84.007, 84.033, 84.038, 84.063 (P) DOE	Agree	6/2003	Fiftwo Baldwin (303)595-1600
<b>Colorado Community College System</b>						
51	164	Ensure funds are disbursed to subrecipients only on an as-needed basis and only reimburse subrecipients for amounts expended on allowable costs, where the expenditures are adequately documented.	84.048 (B)(C) DOE	Agree	6/2003	Fiftwo Baldwin (303)595-1600

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Colorado Community College System</b>						
52	165	Strengthen monitoring procedures and the documentation over subrecipients receiving funds for the Carl Perkins - Vocational Education program.	84.048 (B)(M) DOE	Agree	6/2003	Fiftwo Baldwin (303)595-1600
<b>Colorado Community College System</b>						
53	166	Strengthen controls over its cash management process to ensure requests for reimbursement are for costs incurred.	84.342 (C) DOE	Agree	6/2003	Fiftwo Baldwin (303)595-1600

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Colorado School of Mines</b>						
54	168	Develop subrecipient monitoring documentation policies and procedures to ensure that subrecipient files are properly maintained and monitored.	10.206, 11.430, 11.612, 12.300, 12.431, 12.800, 12.910, 15.010, 15.141, 15.144, 15.808, 15.809, 45.312, 47.041, 47.049, 47.050, 47.070, 47.075, 47.076, 47.078, 66.500, 66.606, 81.003, 81.049, 81.086, 81.112, 84.116, 84.200 (M) CSREES, NOAA, NIST, DOD, DARPA, BIA, DOI, IMLS, NSF, EPA, DOE	Agree	04/2003	Glen Nelson (303)273-3262

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
55	169	Follow the policies and procedures to ensure close-out procedures are documented for each project completed to prevent erroneous expenses being charged to these projects and ensure compliance with all applicable laws and regulations.	10.206, 11.430, 11.612, 12.300, 12.431, 12.800, 12.910, 15.010, 15.141, 15.144, 15.808, 15.809, 45.312, 47.041, 47.049, 47.050, 47.070, 47.075, 47.076, 47.078, 66.500, 66.606, 81.003, 81.049, 81.086, 81.112, 84.116, 84.200 (P) CSREES, NOAA, NIST, DOD, DARPA, BIA, DOI, IMLS, NSF, EPA, DOE	Agree	01/2003	Glen Nelson (303)273-3262
56	170	Develop a process for reviewing financial aid awards to ensure that Pell Grants are awarded in the correct amount.	84.063 (E) DOE	Agree	03/2003	Glen Nelson (303)273-3262
57	171	Develop policies and procedures to help ensure that all communications with National Student Loan Data System are complete, accurate, and timely.	84.032 (N) DOE	Agree	02/2003	Glen Nelson (303)273-3262
<b>Student Loan Division</b>						
58	172	Ensure that all new processes affecting the default aversion fee billing system are adequately tested to avoid unforeseen impacts on the system and possible errors.	84.032 (L)(N) DOE	Agree	07/2002	Sherry Gansert (303)305-3272

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
59	173	Develop procedures to ensure that default aversion fees are computed on the correct base amounts.	84.032 (L)(N) DOE	Agree	07/2002	Sherry Gansert (303)305-3272
60	175	Refund excess interest to borrowers and develop and implement procedures to detect and correct interest calculation transactions.	84.032 (L)(N) DOE	Agree	09/2002	Sherry Gansert (303)305-3272
<b>Department of Human Services</b>						
3	40	Improve controls over the preparation of fiscal year-end exhibits submitted to the State Controller's Office to ensure that information is accurate and complete.	N/A	Agree	8/1/2003	N/A
61	180	Continue to improve its cash management for federal programs by ensuring federal draws are made timely and in accordance with the CMIA agreement.	10.551, 10.555, 10.561, 84.126, 93.558, 93.563, 93.568, 93.575, 93.596, 93.658, 93.667, 93.959, 96.001 (C) HHS, USDA, DOE, SSA	Agree	3/31/2003	Dick Taylor (303)866-2732
62	182	Strengthen the payment review process within the TANF program to ensure expenditures are consistent with supporting documentation, paid timely and charged to the correct fiscal year, and coded to the proper account.	93.558 (A)(B) HHS	Agree	1/31/2003	Dick Taylor (303)866-2732

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
63	184	Reinstitute and maintain a quality assurance review process over those children receiving in-home and short-term out-of-home Foster Care services.	93.658 (M) HHS	Agree	1/1/2003	Dick Taylor (303)866-2732
64	187	Work to achieve a greater degree of accountability related to Medicaid-reimbursable case management services provided by child placement agencies.	93.777, 93.778 (A) (B) (M) HHS	Agree	6/30/2003	Dick Taylor (303)866-2732
65	200	Ensure that child placement agencies are meeting state and federal requirements related to how public foster care funds can be spent.	93.658 (A) (M) HHS	Partially agree	12/31/2003	Dick Taylor (303)866-2732
66	205	Ensure that counties pay child placement agencies a reasonable level of compensation based upon individual cost experiences.	93.658 (B) HHS	Partially agree	7/1/2003	Dick Taylor (303)866-2732
67	208	Ensure that the Department submits reimbursement claims that include all federal Title IV-E funds available to the State.	93.658 (B) HHS	Agree	1/1/2003	Dick Taylor (303)866-2732
68	208	Ensure that counties' placement data entry and processes result in the Department's accessing all federal Title IV-E funds available to the State.	93.658 (B) HHS	Partially agree	1/1/2003	Dick Taylor (303)866-2732

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
69	212	Eliminate duplicate records within Trails and enhance input controls by (a) performing regular search processes to identify possible duplicate records and communicating results to counties; (b) providing training to counties over the process of communicating duplication errors to the State; (c) following up with counties to ensure counties are actively resolving duplications; (d) implementing an outlined, specific methodology for county staff to use during the search process; (e) enhancing the search engine; (f) implementing detection controls; and (g) establishing a process where referral information without a valid social security number would be considered a temporary record.	93.658 93.659 (A)(B)(L) HHS	Partially agree	a. 2/2003 b. 3/2003 c. 6/2003 d. Implemented e. In progress f. In progress g. In progress	Dick Taylor (303)866-2732
70	216	Take immediate steps to investigate and resolve the \$650,000 in outstanding credits within the County Financial Management System (CFMS), and recover all overpayments. Perform testing of provider payments made through Trails and CFMS to determine the accuracy and validity of payments issued on the basis of Trails data.	93.658 93.659 (A)(B) HHS	Agree	6/2003	Dick Taylor (303)866-2732
71	217	Address interface problems between Trails and the County Financial Management System (CFMS) and improve controls over provider payments by (a) implementing modifications to correct provider matching issues between the two systems, (b) establishing provider payment limits that would allow counties to identify excessive payments, and (c) creating standard reconciliation processes to reconcile payments calculated by Trails to payments disbursed through CFMS and collect overpayments.	93.658 93.659 (A)(B) HHS	Partially agree	a. Implemented. b. To be considered by County Trails User Group February 2003 c. No date provided	Dick Taylor (303)866-2732

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
72	219	Ensure that funding source codes are accurate in the Trails system by (a) implementing a system modification to correct the erroneous reversal of funding source codes, (b) requiring that counties submit funding source codes adjustment forms for all errors identified, and (c) providing training to all fiscal staff and caseworkers on entering funding source codes.	93.658 93.659 (A)(B) HHS	Partially agree	Implemented	Dick Taylor (303)866-2732
73	220	Enhance the Trails system so that changes made by caseworkers do not inadvertently approve a suspended payment.	93.658 93.659 (A)(B) HHS	Agree	In progress	Dick Taylor (303)866-2732
74	221	Ensure system problems with provider payments in Trails are addressed by (a) requiring that staff report all instances of improper payments to the Trails helpdesk, (b) requiring that the helpdesk notify all counties when system problems are identified, and (c) requiring that the helpdesk provide additional instructions to the workers when user errors are identified.	93.658 93.659 (A)(B) HHS	Agree	a. Implemented b. Implemented c. 6/2003	Dick Taylor (303)866-2732
75	224	Ensure reports from the Trails system are accurate and meet requirements by (a) providing specialized training to appropriate county workers on reports, (b) working with the counties and other stakeholders to identify critical reports and other reporting issues, and (c) establishing procedures to solicit courts to accept one established format for court documents.	93.658 93.659 (L) HHS	Agree	a. Implemented b. Implemented c. 3/2003	Dick Taylor (303)866-2732

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
76	226	Continue to work with the Department of Health Care Policy and Financing to improve the interface between Trails, COIN, and MMIS.	93.777 93.778 (E) HHS	Agree	Ongoing	Dick Taylor (303)866-2732
77	231	Establish adequate controls to ensure that Colorado Works diversion expenditures are in compliance with requirements and meet the program's intent by (a) reviewing diversion case files as part of its periodic and ongoing TANF/Colorado Works monitoring process at county departments of social services, and follow up timely on issues identified; (b) using COIN data on diversion payments to perform periodic risk analyses on counties' Diversion Programs and to perform other follow-up; (c) developing written policies defining appropriate expenditures for diversion and communicating these to county departments of social services; and (d) requiring that all counties identify policies in their annual county plans to identify and recover diversion overpayments and reviewing the implementation of recovery policies.	93.558 (A)(B) HHS	Agree	a. 10/2002 b. 10/2002 c. Ongoing d. 10/2002	Dick Taylor (303)866-2732
78	233	Institute a formal review process for county Colorado Works annual plans for diversion by (a) assigning staff to review annual county plans, (b) establishing a method for providing feedback to counties regarding appropriateness of their plans within a specified time frame and ensuring that required changes are made timely, and (c) determining counties' compliance with their county plans through ongoing case file reviews.	93.558 (A)(B) HHS	Agree	a. 1/1/2003 b. 1/1/2003 c. 10/2002	Dick Taylor (303)866-2732

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
79	237	Take immediate steps to address the problems identified in the audit regarding county "transitional" programs under TANF/Colorado Works diversion including (a) conducting detailed case file reviews of recipients and payments under county transitional programs and addressing and resolving instances of noncompliance and (b) ensuring that counties are adequately informed about the requirements for payments or services to appropriately be classified as "other assistance."	93.558 (A)(B)(G) HHS	Agree	a. 10/2002 b. Ongoing	Dick Taylor (303)866-2732
80	239	Verify identity and income information submitted by applicants for Colorado Works diversion by (a) processing all diversion applicants through Income, Eligibility, and Verification System (IEVS) on a timely basis, (b) submitting all identified identity and income discrepancies to the counties for investigation and follow-up, and (c) requiring counties to address and resolve discrepancies identified through IEVS in a timely manner.	93.558 (E) HHS	Agree	a. 10/2002 b. Ongoing c. 9/2002	Dick Taylor (303)866-2732
81	242	Ensure information in Colorado Works diversion case files is adequate by (a) establishing and communicating policies that outline the type of documentation to be maintained in county case files and (b) ensuring that counties implement existing state regulations requiring verification of specific applicant-provided information and other information affecting eligibility for diversion.	93.558 (A) (E) HHS	Agree	Ongoing	Dick Taylor (303)866-2732
82	243	Require that counties have policies in their county plans for granting any TANF benefits or services to county employees. Policies should ensure that eligibility determination is performed in compliance with requirements and that potential conflict-of-interest issues are addressed.	93.558 (A)(E) HHS	Agree	1/2003	Dick Taylor (303)866-2732

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
83	246	Ensure that counties sufficiently document information used to determine eligibility, calculate benefit amounts, and determine adherence to timeliness standards for the Low-Income Energy Assistance Program (LEAP) by (a) requiring applicants to provide a social security number and date of birth for all household members and (b) continuing to emphasize the importance of documentation in training sessions.	93.568 (E) HHS	a. Disagree b. Agree	b. 9/16/2002	Dick Taylor (303)866-2732
84	248	Improve the timeliness of the application process by (a) implementing a time requirement for providing Crisis Intervention Program services, (b) continuing to emphasize the importance of documenting actions taken on cases, and (c) evaluating the 50-day time requirement for processing standard LEAP applications.	93.568 (P) HHS	a. Partially agree b. Agree c. Partially agree	10/1/2002	Dick Taylor (303)866-2732
85	252	Improve the accuracy of county administrative and outreach reporting for the LEAP program by (a) ensuring counties use an approved time reporting method, (b) developing and disseminating guidelines on the appropriate uses of administrative funds, (c) continuing to emphasize to county program and fiscal staff the importance of appropriately coding LEAP administrative expenditures, (d) requiring documentation for overexpenditures, and (e) reassessing methodology for allocating funds.	93.568 (B) (L) HHS	Agree	11/1/2002	Dick Taylor (303)866-2732
86	255	Improve LEAP program oversight by (a) developing a monitoring plan, (b) enforcing the corrective action plan requirement and following up on the plans in a timely manner, (c) monitoring benefit payments made to utility vendors, and (d) maintaining better communication with the Field Audits Section.	93.568 (M) HHS	a. Agree b. Agree c. Disagree d. Agree	a. 8/1/2002 b. 8/1/2002 d. 8/1/2002	Dick Taylor (303)866-2732

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
87	258	Improve oversight of Crisis Intervention Program funds by (a) requesting counties randomly follow up with CIP recipients, (b) requiring service providers to submit detailed invoices that include a client signature, and (c) periodically contracting with private vendors to inspect a sample of CIP homes.	93.568 (M) HHS	a. Disagree b. Agree c. Disagree	b. 10/1/2002	Dick Taylor (303)866-2732
<b>Division of Child Welfare Services</b>						
88	261	Ensure the State is in compliance with federal and state requirements regarding adoption subsidy payments after children reach the age of 18.	93.659 (A) (B) (E) HHS	Agree	9/1/2002	Dick Taylor (303)866-2732
89	265	Improve how counties handle adoption subsidies when children are temporarily placed out of their adoptive homes.	93.659 (E) HHS	Agree	8/1/2003	Dick Taylor (303)866-2732
<b>Department of Labor and Employment</b>						
4	47	Perform a comparison of actual collections received for overpayments to the percentages used to adjust the allowance for doubtful accounts on an annual basis and adjust the percentages as necessary.	N/A	Agree	6/30/2003	N/A
5	48	Maintain copies of detail listings of all benefit overpayment accounts at fiscal year-end.	N/A	Agree	6/30/2003	N/A
6	49	Ensure that the "genesis!" system will generate reports listing benefits payable at any point in time and use this information to record benefits payable on the State's financial system.	N/A	Agree	6/30/2004	N/A

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
7	51	Ensure that reconciliations between all workers' compensation information systems and the State's accounting system are performed on at least a quarterly basis throughout the year and that any discrepancies between systems are resolved on a timely basis.	N/A	Agree	Implemented	N/A
90	268	Work with the State Treasurer to ensure that its draw methods and funding techniques achieve interest neutrality with the federal government.	17.225 (C) DOL	Agree	Implemented	Les Schenefelt (303)318-8101
<b>Department of Natural Resources</b>						
8	56	Improve the administration and monitoring of the procurement card program by ensuring that (a) all monthly procurement card statements are reviewed and signed by both the employee and the approving official, (b) all employees and approving officials have signed cardholder agreement and/or approving official forms, and (c) reviews of procurement card statements are performed in accordance with policy.	N/A	Agree	3/31/2003	N/A

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
9	58	Improve controls over capital assets by (a) performing an annual physical inventory at all of its locations; (b) establishing reasonable useful lives for original assets and additions to those assets based upon its own experience and documented assumptions and ensuring that the useful lives of improvements are the same as or less than the original asset; (c) raising its capitalization thresholds to the levels recommended by the State Controller's Office, or establishing other reasonable thresholds based upon documented experience; and (d) making the proper adjustments to the State's accounting system based upon the results of its physical inventory, its review of established useful lives, and its reevaluation of capitalization criteria.	N/A	a. Agree b. Agree c. Partially agree d. Agree	6/30/2003	N/A
<b>State Board of Land Commissioners</b>						
10	61	Improve surface lease procedures and systems through the following: (a) continuing to streamline its lease renewal process in order to reduce or eliminate the backlog, (b) billing for back rents on expired leases based upon the "hold-over tenant" concept, (c) recording revenue in the proper fiscal year, and (d) implementing the new State Management System (SAM) as soon as possible.	N/A	Agree	a. 9/1/2002 b. 6/30/2003 c. 9/1/2002 d. 6/30/2003	N/A
<b>Division of Wildlife</b>						
11	63	Request reimbursement for its GOCO-related expenditures on a monthly basis.	N/A	Agree	1/31/2003	N/A

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
12	65	Improve controls to reduce the number of cancelled payments by (a) ensuring vendor information is correct before issuing payments to vendors, (b) documenting the reason for cancelling a warrant on the original payment voucher, and (c) determining the reason for recurring problems with payment vouchers and strengthening management controls to prevent them from occurring in the future.	N/A	Agree	3/1/2003	N/A
<b>Department of Personnel and Administration</b>						
13	70	Improve the payroll function by (a) segregating the payroll processing and reconciliation duties, (b) reviewing employee personnel files and reconfirming that withholding documentation is accurate and complete, (c) implementing adequate supervisory reviews over the payroll calculation, and (d) ensuring adequate compensating controls are in place if payroll duties are not segregated.	N/A	Agree	a. 3/1/2003 b. 9/2002 c. 3/1/2003 d. 1/2003	N/A
14	72	Implement procedures to review Central Collections' supporting documentation prior to approval of payments.	N/A	Agree	7/1/2003	N/A
15	73	Properly classify revenue for TABOR purposes.	N/A	Agree	7/2002	N/A

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>State Controller's Office</b>						
16	75	Refine the methods used to compile the statement of cash flows and the statement of revenues, expenses, and change in fund net assets by (a) working with higher education institutions to develop a consistent interpretation of Governmental Accounting Standards Board Statement No. 9 to be used in categorizing accounting transactions in the statement of cash flows and (b) assisting the Student Obligation Bond Authority to ensure that transactions are properly categorized and reported.	N/A	Agree	9/20/2003	N/A
<b>Department of Public Health and Environment</b>						
91	274	Work with the State Treasurer to ensure that the next amendment to the State-Treasury Agreement reflects the cash draw methods and funding techniques that achieve interest neutrality with the federal government.	10.557,10.558, 66.802 (C) DOL	Agree	7/1/2003	Adel Soliman (303)692-2104
<b>Department of Regulatory Agencies</b>						
17	79	Establish and maintain analytical review procedures over revenue for the Department's divisions and commissions, and investigate significant variations.	N/A	Agree	1/2003	N/A

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Department of Revenue</b>						
18	86	Develop controls to ensure that future TABOR credits are claimed and received only by eligible individuals by (a) identifying and billing individuals who were ineligible to claim TABOR credits; (b) implementing a methodology to verify taxpayers' federal adjusted gross income at the time a credit is claimed and to ensure that taxpayer's federal adjusted gross income at the time a credit is claimed; and (c) processing only complete returns, or evaluating alternative methods of ensuring that only qualifying credits are claimed, should the taxpayer fail to submit the required schedules.	N/A	a. Agree b. Partially agree c. Agree	a. 3/31/2003 b. None provided c. 12/31/2003	N/A
19	89	Enhance controls over manual adjustments made to taxpayer returns by (a) performing reviews of data entered into its system on all returns with income of \$10 million or more, (b) developing procedures for reviewing manual adjustments to tax returns made by the Problem Resolution Unit, and (c) ensuring that staff making manual adjustments to tax returns do not improperly override system-generated letters to taxpayers.	N/A	Agree	a. 1/1/2004 b. 6/2004 c. 6/2004	N/A
20	91	Develop and implement procedures to review charitable contribution deductions claimed by taxpayers.	N/A	Partially agree	7/1/2004	N/A
21	94	Resolve outstanding check issues to ensure that taxpayers receive their personal property tax refunds in a timely manner by working with the General Assembly to extend legislation to allow personal property tax refunds to be turned over to the Treasurer's Unclaimed Property Section.	N/A	Agree	12/2004	N/A

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Office of the State Treasurer</b>						
92	277	Obtain and use the most current and accurate information available on federal program expenditures to annually amend the Treasury-State Agreement.	10.551,10.553, 10.555, 10.557, 10.558, 10.561, 14.228, 14.871, 17.207, 17.258, 17.259, 17.260, 20.205, 66.802, 84.010, 84.027, 84.126, 84.340, 93.558, 93.563, 93.568, 93.575, 93.596, 93.658, 93.659, 93.667, 93.767, 93.778, 93.959, 96.001 (C) USDA, HUD, DOL, DOT, EPA, DOE, HHS, SSA	Partially agree	6/1/2003	Doug Windes (303)866-3253
93	278	Define the terms and methods used to establish funding techniques and draw patterns and provide to each department subject to the Agreement.	10.551,10.553, 10.555, 10.557, 10.558, 10.561, 14.228, 14.871, 17.207, 17.258, 17.259, 17.260, 20.205, 66.802, 84.010, 84.027, 84.126, 84.340, 93.558, 93.563, 93.568, 93.575, 93.596, 93.658, 93.659, 93.667, 93.767, 93.778, 93.959, 96.001 (C) USDA, HUD, DOL, DOT, EPA, DOE, HHS, SSA	Partially agree	6/1/2003	Doug Windes (303)866-3253

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## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

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Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Department of Transportation</b>						
22	103	Analyze invoices received for the costs incurred on construction projects, and record appropriate costs in accordance with the terms of the contracts.	N/A	Agree	12/31/2001	N/A
23	104	Ensure the proper recording of capital assets.	N/A	Agree	6/30/2003	N/A

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## Compliance Requirements

- (A) Activities allowed or unallowed
- (B) Allowable costs/cost principles
- (C) Cash Management
- (E) Eligibility
- (G) Matching, level of effort, earmarking
- (L) Reporting
- (M) Subrecipient monitoring
- (N) Special tests and provisions
- (P) Other

## Federal Entities

- BIA - Bureau of Indian Affairs
- CSREES - Cooperative State Research, Education, and Extension Service
- DARPA - Defense Advanced Research Agency
- DOD - Department of Defense
- DOE - Department of Education
- DOI - Department of the Interior
- DOL - Department of Labor
- DOT - Department of Transportation
- EPA - Environmental Protection Agency
- HHS - Department of Health and Human Services
- HUD - Department of Housing and Urban Development
- IMLS - Institute of Museum & Library Services
- NIST - National Institute of Standards and Technology
- NOAA - National Oceanic & Atmospheric Administration
- NSF - National Science Foundation
- SSA - Social Security Administration
- USDA - United States Department of Agriculture

**APPENDIX B**

**Net Passed Audit Adjustments by Agency  
For The Fiscal Year Ended June 30, 2002  
Increase (Decrease)**

<b>Agency Name</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Fund Balance</b>	<b>Revenue</b>	<b>Expenditures</b>
<b>Agriculture</b>	\$ 90,197	\$ 40,805	\$ -	\$ -	\$ (49,392)
<b>Corrections</b>	-	-	-	-	-
<b>Education</b>	-	-	-	-	-
<b>Governor</b>	-	-	29,091	(29,091)	-
<b>Health Care Policy and Financing</b>	(21,280)	-	-	-	21,280
<b>Higher Education</b>	(7,623,968)	(4,026,935)	990,916	(3,419,076)	1,168,873
<b>Human Services</b>	-	(32,000)	32,000	-	-
<b>Judicial</b>	(689,233)	-	(689,233)	-	-
<b>Labor and Employment</b>	(184,314)	-	2,129,297	(184,314)	2,129,297
<b>Law</b>	-	-	-	-	-
<b>Legislative</b>	-	-	-	-	-
<b>Local Affairs</b>	31,058	8,291	-	22,767	-
<b>Military Affairs</b>	-	-	-	-	-
<b>Natural Resources</b>	270,148	19,000	-	251,148	-
<b>Personnel and Administration</b>	94,576	-	85,235	11,145	1,804
<b>Public Health and Environment</b>	-	-	-	-	-
<b>Public Safety</b>	-	(120,000)	-	-	(120,000)
<b>Regulatory Agencies</b>	-	-	(279,909)	279,909	-
<b>Revenue</b>	(617,385)	1,126,081	-	(1,758,579)	(15,113)
<b>State</b>	-	-	-	-	-
<b>Transportation</b>	-	-	-	-	-
<b>Treasury</b>	-	-	-	-	-
<b>Net Increase (Decrease)</b>	<b>\$ (8,650,201)</b>	<b>\$ (2,984,758)</b>	<b>\$ 2,297,397</b>	<b>\$ (4,826,091)</b>	<b>\$ 3,136,749</b>



**Gross Passed Audit Adjustments by Agency  
For Fiscal Year Ended June 30, 2002**

<b>Agency Name</b>	<b>Assets</b>		<b>Liabilities</b>		<b>Fund Balance</b>		<b>Revenue</b>	<b>Expenditures</b>		
<b>Agriculture</b>	\$	488,617	\$	40,805	\$	-	\$	91,366	\$	94,362
<b>Corrections</b>		-		-		-		-		-
<b>Education</b>		-		-		-		-		-
<b>Governor</b>		-		-		29,091		29,091		-
<b>Health Care Policy and Financing</b>		21,280		-		-		-		21,280
<b>Higher Education</b>		41,180,871		24,204,746		18,720,341		39,362,534		38,314,937
<b>Human Services</b>		-		1,189,258		110,374		668,224		-
<b>Judicial</b>		689,233		-		689,233		-		-
<b>Labor and Employment</b>		184,313		-		2,129,297		184,314		2,129,297
<b>Law</b>		-		-		-		-		-
<b>Legislative</b>		-		-		-		-		-
<b>Local Affairs</b>		830,640		8,291		-		39,349		413,600
<b>Military Affairs</b>		-		-		-		-		-
<b>Natural Resources</b>		270,148		19,000		-		289,148		-
<b>Personnel and Administration</b>		98,185		57,200		85,235		501,601		173,678
<b>Public Health and Environment</b>		-		-		-		-		-
<b>Public Safety</b>		-		120,000		-		-		120,000
<b>Regulatory Agencies</b>		-		-		279,909		279,909		-
<b>Revenue</b>		647,611		4,487,847		-		2,438,059		15,113
<b>State</b>		-		-		-		-		-
<b>Transportation</b>		-		-		-		-		-
<b>Treasury</b>		-		-		-		-		-
	\$	44,410,898	\$	30,127,147	\$	22,043,480	\$	43,883,595	\$	41,282,267

**Net Posted Audit Adjustments by Agency  
For The Fiscal Year Ended June 30, 2002  
Increase (Decrease)**

<b>Agency Name</b>	<b>Assets</b>		<b>Liabilities</b>		<b>Fund Balance</b>		<b>Revenue</b>		<b>Expenditures</b>	
<b>Agriculture</b>	\$	1,085,904	\$	34,921	\$	-	\$	996,125	\$	(54,858)
<b>Corrections</b>		-		-		-		-		-
<b>Education</b>		-		-		-		-		-
<b>Governor</b>		5,000		-		-		1,575,098		1,570,098
<b>Health Care Policy and Financing</b>		(29,284,556)		(28,248,952)		-		(1,675,801)		(640,197)
<b>Higher Education</b>		(278,535)		28,360,133		(28,082,943)		(6,038,102)		(5,482,377)
<b>Human Services</b>		(8,483,487)		(10,379,157)		150,188		(9,375,985)		(11,121,467)
<b>Judicial</b>		-		-		-		-		-
<b>Labor and Employment</b>		(5,499,902)		-		-		(5,499,902)		-
<b>Law</b>		-		-		-		-		-
<b>Legislative</b>		-		-		-		-		-
<b>Local Affairs</b>		-		-		-		-		-
<b>Military Affairs</b>		-		-		-		-		-
<b>Natural Resources</b>		1,809,322		-		2,185,899		(376,577)		-
<b>Personnel and Administration</b>		7,586,715		7,597,792		(1,373,392)		-		(1,362,315)
<b>Public Health and Environment</b>		-		-		-		12,693,881		12,693,881
<b>Public Safety</b>		-		-		-		-		-
<b>Regulatory Agencies</b>		-		-		813,513		(813,513)		-
<b>Revenue</b>		892,498		-		-		-		(892,498)
<b>State</b>		-		-		-		-		-
<b>Transportation</b>		(18,163,448)		-		(17,457,770)		-		705,678
<b>Treasury</b>		-		-		-		245,194		245,194
<b>Net Increase (Decrease)</b>	\$	(50,330,489)	\$	(2,635,263)	\$	(43,764,505)	\$	(8,269,582)	\$	(4,338,861)

**Gross Posted Audit Adjustments by Agency  
For Fiscal Year Ended June 30, 2002**

<b>Agency Name</b>	<b>Assets</b>		<b>Liabilities</b>		<b>Fund Balance</b>		<b>Revenue</b>	<b>Expenditures</b>
<b>Agriculture</b>	\$ 7,432,628	\$ 34,921	\$ -	\$ -	\$ 996,125	\$ 252,960		
<b>Corrections</b>	-	-	-	-	-	-		
<b>Education</b>	-	407,734	-	-	-	-		
<b>Governor</b>	5,000	-	-	-	1,575,098	1,570,098		
<b>Health Care Policy and Financing</b>	29,284,556	34,689,080	-	-	1,675,801	7,080,325		
<b>Higher Education</b>	95,330,261	67,690,196	65,596,877	-	195,563,742	11,122,815		
<b>Human Services</b>	8,483,487	12,164,153	150,188	-	9,375,985	11,121,467		
<b>Judicial</b>	-	-	-	-	-	-		
<b>Labor and Employment</b>	5,500,098	-	-	-	5,500,098	-		
<b>Law</b>	-	-	-	-	-	-		
<b>Legislative</b>	-	-	-	-	-	-		
<b>Local Affairs</b>	-	-	-	-	-	-		
<b>Military Affairs</b>	-	-	-	-	-	-		
<b>Natural Resources</b>	1,809,322	4,546,866	2,185,899	-	376,577	-		
<b>Personnel and Administration</b>	7,586,715	20,337,792	1,373,392	-	-	15,168,211		
<b>Public Health and Environment</b>	50,775,524	-	-	-	38,081,643	12,693,881		
<b>Public Safety</b>	-	-	-	-	-	-		
<b>Regulatory Agencies</b>	-	-	813,513	-	813,513	-		
<b>Revenue</b>	892,498	1,045,858	-	-	-	892,498		
<b>State</b>	-	-	-	-	-	-		
<b>Transportation</b>	42,580,573	2,340,296	17,457,770	-	-	705,678		
<b>Treasury</b>	593,455	103,067	-	-	245,194	245,194		
	<b>\$ 250,274,117</b>	<b>\$ 143,359,963</b>	<b>\$ 87,577,639</b>	<b>\$ 254,203,776</b>	<b>\$ 60,853,127</b>			

**APPENDIX C**

**General Fund Transfers  
For Fiscal Year Ended June 30, 2002**

<b>Bill Number</b>	<b>Agency</b>	<b>Fund Name</b>	<b>Amount Transferred to the General Fund</b>
HB02-1391	Education	Read-to-Achieve	\$ 1,900,000
HB02-1391	Health Care Policy and Financing	Children's Basic Health Plan	900,000
HB02-1391	Judicial	Persistent Drunk Driver	500,000
HB02-1444	Judicial	Former Support Registry	346,879
HB02-1391	Labor and Employment	Unemployment Support	15,000,000
HB02-1391	Labor and Employment	Petroleum Storage Tank	4,000,000
HB02-1478	Labor and Employment	Major Medical	211,481,539
HB02-1391	Law	Uniform Consumer Credit Code	150,000
HB02-1391	Law	Collection Agency Board	462,000
HB02-1444	Local Affairs	Waste Tire Recycling	600,000
HB02-1444	Natural Resources	Species Conservation Capital	3,000,000
HB02-1391	Natural Resources	Species Conservation Capital	2,500,000
HB02-1391	Public Health and Environment	Hazardous Substance Response	30,000,000
HB02-1444	Public Health and Environment	Environmental Leadership	514,092
HB02-1391	Regulatory Agencies	Disabled Telephone User's	500,000
HB02-1391	Revenue	Trade Name Fund Balance	400,000
HB02-1444	Revenue	Colorado Dealer License Board	1,100,000
HB02-1391	State	Secretary of State Fees	1,200,000
HB02-1391	Transportation	State Rail Bank	500,000
HB02-1445	Treasury	Unclaimed Property	6,839,950
HB02-1392	Treasury	Unclaimed Property	3,130,221
HB02-1391	Treasury	Tobacco Litigation Settlement Cash	3,500,000
HB02-1445	Treasury	Tobacco Litigation Settlement Trust	138,123,849
HB02-1391	Treasury	Severance Tax Trust	20,200,000
HB01-1267	Treasury	Controlled Maintenance Trust	243,929,000
HB02-1391	Treasury	Controlled Maintenance Trust	9,500,000
HB02-1391	University of Colorado - Health Sciences Center	Fitzsimmoms Trust	18,400,000
HB02-1443	Various	Regular Capital Construction	53,545,000
HB02-1391	Various	Regular Capital Construction	17,496,575
			<u>\$ 789,719,105</u>

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