

An Audit

**State of Wisconsin
2001-02**

2003-2004 Joint Legislative Audit Committee Members

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CONTENTS

Letter of Transmittal	1
Introduction	3
Auditor's Reports	
Independent Auditor's Report on the State of Wisconsin's Compliance and on Internal Control over Financial Reporting Based on an Audit of the Basic Financial Statements Performed in Accordance with Government Auditing Standards	7
Independent Auditor's Report on the State of Wisconsin's Compliance with Requirements Applicable to Each Major Program, Internal Control over Compliance, and the Schedule of Expenditures of Federal Awards, in Accordance with OMB Circular A-133	11
Statewide Issues	15
Department of Health and Family Services	25
Department of Workforce Development	53
University of Wisconsin System	69
Department of Transportation	97
Department of Public Instruction	101
Department of Administration	107
Department of Military Affairs	121
Department of Corrections	125

Department of Justice	133
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Higher Educational Aids Board	135
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State of Wisconsin Schedule of Findings and Questioned Costs for the Year Ended June 30, 2002	137
<hr/>	
State of Wisconsin Summary Schedule of Prior Audit Findings	161
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State of Wisconsin Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2002	171
<hr/>	
Notes to the State of Wisconsin Schedule of Expenditures of Federal Awards	223
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Appendices

- Appendix 1—Federal Expenditures Under the Twelve Largest
Federal Grant Programs
- Appendix 2—State Agency Contact Information
- Appendix 3—University of Wisconsin Contact Information



State of Wisconsin \ LEGISLATIVE AUDIT BUREAU

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March 31, 2003

Senator Carol A. Roessler and
Representative Suzanne Jeskewitz, Co-chairpersons
Joint Legislative Audit Committee
State Capitol
Madison, Wisconsin 53702

Dear Senator Roessler and Representative Jeskewitz:

We have completed our financial and compliance audit of the State of Wisconsin, as requested by state agencies to meet the audit requirements of the federal Single Audit Act of 1984, as amended, and the provisions of federal Office of Management and Budget Circular A-133. Our audit covered the period July 1, 2001 through June 30, 2002. In addition to satisfying federal audit requirements, the audit assists us in meeting state audit requirements under s. 13.94, Wis. Stats.

Audit procedures performed at the larger state agencies that administer federal financial assistance programs, including the University of Wisconsin System, consisted of gaining an understanding of the internal controls at the agencies, assessing the propriety of revenues and expenditures, and testing compliance with laws and regulations related to the administration of federal grant programs. For the smaller agencies and selected University of Wisconsin campuses, our audit procedures were limited to verifying information included in the federally required State of Wisconsin Schedule of Expenditures of Federal Awards and following up on prior-year audit findings. Our review focused on the 25 federal grants that either exceeded the \$22.2 million threshold used to define major grants or were below this threshold but were selected for review based on the risk-based assessment criteria established by the federal government.

Our report contains the auditor's reports on compliance and internal control. Because of material noncompliance by the Department of Health and Family Services and the Department of Corrections related to the Foster Care—Title IV-E program, we qualify our opinion on the State's compliance with federal requirements. Our audit opinion on the State of Wisconsin Schedule of Expenditures of Federal Awards for the audited period is unqualified.

The agency narratives contain our comments on internal control deficiencies related to the administration of federal grants, findings of noncompliance for each agency, and the results of our follow-up to prior audit findings. A summary schedule of findings and questioned costs for the current year's audit is also provided, as well as a summary of the status of findings included in our prior audit report for the State of Wisconsin (report 02-7). We note that, overall, state agencies have complied with federal grant requirements and have taken steps to address findings included in the prior year's single audit report. However, we report internal control deficiencies and several areas of noncompliance, and we identify \$847,283 in questioned costs. While higher than last year's questioned costs, this year's amount represents a small portion of the \$8.1 billion in federal financial assistance to the State of Wisconsin.

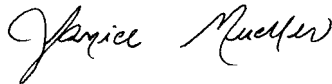
Senator Carol A. Roessler and
Representative Suzanne Jeskewitz
Page 2
March 31, 2003

The federal government will resolve the findings and questioned costs included in our report. Federal agencies are expected to contact state agencies regarding resolution. To assist federal officials in their efforts, state agency contact information is provided in appendices to this report.

In addition to the comments and recommendations included in our report, separate audit communications will be issued to various state agencies addressing technical accounting and internal control issues, including those relating to the preparation of the State's financial statements.

We appreciate the courtesy and cooperation extended to us by agency staff during our audit. Agencies' comments on individual findings, along with their corrective action plans to address our concerns, are included within the agency narratives.

Respectfully submitted,

A handwritten signature in cursive script that reads "Janice Mueller".

Janice Mueller
State Auditor

JM/BN/ss

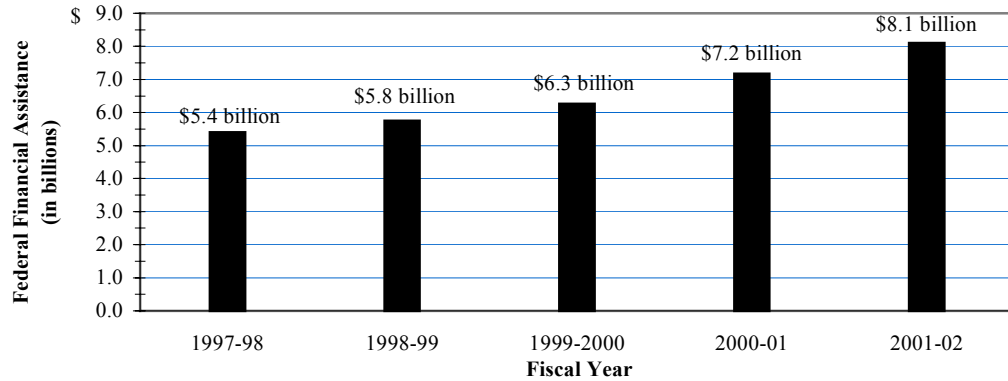
Introduction ■

The State of Wisconsin administered \$8.1 billion in federal financial assistance during fiscal year (FY) 2001-02, consisting of \$7.4 billion in cash assistance as reported in the Schedule of Expenditures of Federal Awards, \$34.2 million in noncash assistance such as food commodities and vaccines, and \$731.8 million in outstanding loan balances. As a condition of receiving federal funds, the State must meet the audit requirements of the federal Single Audit Act of 1984, as amended, and federal Office of Management and Budget (OMB) Circular A-133. We performed this audit for FY 2001-02 at the request of the various state agencies that received federal financial assistance and to meet our audit responsibilities under s. 13.94, Wis. Stats.

Federal rules also require that our report contain the auditor's report on the State's basic financial statements; the auditor's report on the State's compliance and internal control over financial reporting; and the auditor's report, in accordance with OMB Circular A-133, on the State's compliance with requirements applicable to each major program, internal control over compliance, and schedule of expenditures of federal awards. We also incorporated the agencies' responses to our findings and their corrective action plans into our report narrative. The report, along with other required information, is submitted to the federal government to fulfill the State's single audit report distribution requirements under OMB Circular A-133.

Federal funds administered by the State have been steadily increasing over the past five years. As shown in the following figure, federal financial assistance was \$8.1 billion in FY 2001-02, compared to \$5.4 billion in FY 1997-98, for an increase of \$2.7 billion, or 50.0 percent.

Total Federal Financial Assistance
FY 1997-98 through FY 2001-02



The increase in federal financial assistance since FY 1997-98 is attributable to new grant programs, as well as to increases in several of the programs administered by the State, such as a \$810.9 million increase in federal funds expended under the Medical Assistance program and other grants that make up the Medicaid Cluster, and a 119.9 percent increase in funds expended under the Temporary Assistance for Needy Families (TANF) program.

A list of the 12 largest federal programs in FY 2001-02—which are \$6.2 billion of the \$7.4 billion in federal cash and noncash assistance—follows, along with each program’s respective percentage of total federal cash assistance. Appendix 1 provides detail on the federal funds expended under these 12 programs over the past five years.

**Federal Expenditures under the
Twelve Largest Federal Grant Programs
FY 2001-02**

Federal Grant Program	FY 2001-02 Expenditures	Percentage of Federal Expenditures
Medicaid Cluster	\$ 2,500,342,126	33.8%
Unemployment Insurance*	1,125,078,278	15.2
Highway Planning and Construction Cluster	583,835,193	7.9
Student Financial Aid Cluster	435,935,091	5.9
Research and Development Cluster	368,546,653	5.0
Temporary Assistance for Needy Families	350,286,728	4.7
Food Stamp Cluster**	223,586,181	3.0
Child Care Cluster	157,076,786	2.1
Title I Grants to Local Educational Agencies	121,976,693	1.6
Special Education Cluster	106,804,196	1.5
Child Nutrition Cluster	93,462,724	1.3
Foster Care—Title IV-E	87,335,071	1.2
Total	\$6,154,265,720	83.2%

* Consists primarily of insurance benefits paid from employer contributions, and not directly from federal funds.

** Includes food stamps distributed and administrative expenditures

The Medicaid Cluster is the largest federal program administered by the State and accounts for 33.8 percent of the State's federal cash assistance. The largest portion of the Medicaid Cluster is the Medical Assistance Program, which is administered primarily by the Department of Health and Family Services (DHFS.) During FY 2001-02, the State expended \$2.5 billion in federal funds under this program, plus an additional \$1.8 billion funded by the State's general purpose revenues. DHFS also disbursed \$87.3 million under the Foster Care—Title IV-E program, which helps the State provide safe, appropriate substitute care for children who are under its jurisdiction and need temporary placement and care outside their homes.

The Department of Workforce Development (DWD) administers 4 of the 12 largest federal programs administered by the State. The largest of these is the Unemployment Insurance program, which is financed primarily by employer contributions but is subject to federal rules and regulations. DWD expended \$1.1 billion for unemployment benefits and administrative costs during FY 2001-02. In addition, DWD disbursed \$350.3 million of federal funds for the TANF program, \$223.6 million of federal funds under the Food Stamp Cluster, and \$157.1 million for the Child Care Cluster.

Other state agencies administering large federal programs include the University of Wisconsin (UW) System, which expended \$435.9 million for student financial aid and \$368.5 million under a variety of research and development grants; the Department of Transportation (DOT), which expended \$583.8 million for the Highway Planning and Construction program; and the Department of Public Instruction (DPI), which expended \$322.2 million to provide funds to local schools and other entities under the Title I grant program, the Special Education Cluster, and the Child Nutrition Cluster.

The State administers over 700 individual grant programs, as well as an additional 721 research and development grants. As required by OMB Circular A-133, we tested compliance with laws and regulations related to federal grant programs, contracts, and subgrants the State administered. Federal rules allow the auditor to use judgment to select those grants that may contain a higher risk of noncompliance with federal regulations. For the State of Wisconsin, OMB Circular A-133 categorizes as “type A” grants those grants for which the State expended \$22.2 million or more of federal funds. During FY 2001-02, the State administered 25 type A grant programs. We reviewed and tested those type A grants that we believe are subject to higher risk of noncompliance. Federal rules allow the auditor to test lower-risk type A grants only once every three years, rather than each year. Accordingly, we selected about one-third of the lower-risk type A grants to audit this year. For each type A grant not audited during the current audit, federal rules require the auditor to select another grant for audit, referred to as a “type B” grant, with expenditures under the \$22.2 million threshold. The purpose of selecting additional grants is to ensure that a variety of grants, rather than just the largest grants, are audited each year while still ensuring that the largest grants are audited at least once every three years.

Our compliance review focused on the 18 type A grants and 7 type B grants listed in Note 2 to the Schedule of Expenditures of Federal Awards. These grants were administered by 8 different state agencies, including the University of Wisconsin, and accounted for 77 percent of the federal financial assistance administered by the State. We also followed up on findings included in our prior audit report for the State of Wisconsin (report 02-7).

In addition to satisfying federal audit requirements, the audit work performed at state agencies assists in meeting state audit requirements identified in s. 13.94, Wis. Stats. The scope of the single audit did not include the federal awards administered by the Wisconsin Housing and Economic Development Authority or the Wisconsin Supreme Court, which are audited separately by other auditors.

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Auditor's Report ■

Independent Auditor's Report on the State of Wisconsin's Compliance and on Internal Control over Financial Reporting Based on an Audit of the Basic Financial Statements Performed in Accordance with Government Auditing Standards

We have audited the State of Wisconsin's basic financial statements as of and for the year ended June 30, 2002, and have issued our report thereon dated December 13, 2002. The basic financial statements and related auditor's report have been included in the State of Wisconsin's Comprehensive Annual Financial Report for 2002. We did not audit the following financial statements: the Wisconsin Department of Transportation Revenue Bond Program and Commercial Paper Program, which represent 11 percent of the liabilities of the governmental activities and 4 percent of the revenues of the aggregate remaining fund information; the Environmental Improvement Fund, which is a major fund and represents 16 percent of the assets and 19 percent of the liabilities of the business-type activities; or the College Savings Program Trust, which represents 3 percent of the revenues of the aggregate remaining fund information. In addition, we did not audit the financial statements of the Wisconsin Housing and Economic Development Authority, the Wisconsin Health Care Liability Insurance Plan, the Badger Tobacco Asset Securitization Corporation, and the University of Wisconsin Hospitals and Clinics Authority, which represent 100 percent of the financial activity of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts audited by others, are based solely upon their reports.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Wisconsin Housing and Economic Development Authority, which were audited by other auditors, were also audited in accordance with these standards. The financial statements of the other funds and component units that were audited by other auditors were audited in accordance with auditing standards generally accepted in the United States, but not in accordance with *Government Auditing Standards*.

COMPLIANCE

As part of obtaining reasonable assurance about whether the State of Wisconsin's basic 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 *Government Auditing Standards*.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the basic financial statements of the State of Wisconsin for the year ended June 30, 2002, we considered the State'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's ability to record, process, summarize, and report financial data consistent with the assertions of management in the basic financial statements. Reportable conditions are described in Section II of the State of Wisconsin Schedule of Findings and Questioned Costs as Findings WI-02-40 through WI-02-53.

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 basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions

that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider Finding WI-02-40 to be a material weakness. We also noted other matters involving the internal control over financial reporting, which we have reported to management in separate audit communications.

This independent auditor's report is intended for the information and use of the management of the State of Wisconsin, the Wisconsin Legislature, federal awarding agencies, and pass-through entities. This independent auditor's report, upon submission to the Joint Legislative Audit Committee, is a matter of public record and its distribution is not limited. However, because we do not express an opinion on compliance or provide assurance on internal control over financial reporting, this report is not intended to be used by anyone other than these specified parties.

LEGISLATIVE AUDIT BUREAU

December 13, 2002

by 
Bryan Naab
Audit Director

Auditor's Report ■

Independent Auditor's Report on the State of Wisconsin's Compliance with Requirements Applicable to Each Major Program, Internal Control over Compliance, and the Schedule of Expenditures of Federal Awards, in Accordance with OMB Circular A-133

We have audited the State of Wisconsin's compliance 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 Wisconsin's major federal programs are identified in the summary of auditor's results section of the accompanying State of Wisconsin Schedule of Findings and Questioned Costs, as well as in Note 2 of the accompanying Notes to the State of Wisconsin Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2002. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of management of Wisconsin state agencies. Our responsibility is to express an opinion on the State of Wisconsin's compliance based on our audit.

The federal grants administered by the Wisconsin Supreme Court were not included in the scope of our audit of federal awards because its grants are audited separately in accordance with OMB Circular A-133, if required. In addition, we did not include in our audit scope the federal awards administered by the Wisconsin Housing and Economic Development Authority. An audit of the Authority was performed by other auditors.

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

As described in Findings WI-02-5, WI-02-6, and WI-02-38 in the accompanying report narrative for the Wisconsin Department of Health and Family Services and the Wisconsin Department of Corrections, and in the Schedule of Findings and Questioned Costs, the State of Wisconsin did not comply with requirements regarding eligibility that are applicable to the Foster Care—Title IV-E program (catalog #93.658). Compliance with such requirements is necessary, in our opinion, for the State of Wisconsin to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the State of Wisconsin 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 other instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and that are described in the accompanying agency report narratives and in Section III of the Schedule of Findings and Questioned Costs as Findings WI-02-1 through WI-02-10, WI-02-12, WI-02-13, WI-02-15, WI-02-16, WI-02-19, WI-02-22 through WI-02-29, and WI-02-31 through WI-02-39.

INTERNAL CONTROL OVER COMPLIANCE

The management of Wisconsin state agencies is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the State of Wisconsin'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 Wisconsin'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 agency report narratives and in Section III of the State of Wisconsin Schedule of Findings and Questioned Costs as Findings WI-02-1 through WI-02-12, WI-02-14, WI-02-16 through WI-02-21, WI-02-23 through WI-02-26, WI-02-28, WI-02-30 through WI-02-32, WI-02-34 through WI-02-36, WI-02-38, and WI-02-39.

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 federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider Findings WI-02-5, WI-02-6, and WI-02-38 related to the administration of the Foster Care—Title IV-E program (catalog #93.658), and Findings WI-02-31 and WI-02-32, related to administration of the Juvenile Accountability Incentive Block Grants program (catalog #16.523), to be material weaknesses.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

We have audited the basic financial statements of the State of Wisconsin as of and for the year ended June 30, 2002, and have issued our report thereon dated December 13, 2002. Our audit was performed for the purpose of forming opinions on the basic financial statements. The accompanying State of Wisconsin Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements.

As described in Note 1 to the State of Wisconsin Schedule of Expenditures of Federal Awards, the schedule was prepared from agency records maintained on the basis of accounting prescribed by Wisconsin Statutes, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States, and from federal reports submitted by the agencies to the federal government.

The information in the schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This independent auditor's report is intended for the information and use of the management of the State of Wisconsin, the Wisconsin Legislature, federal awarding agencies, and pass-through entities. This report, upon submission to the Joint Legislative Audit Committee, is a matter of public record and its distribution is not limited. However, this report is not intended to be used by anyone other than these specified parties.

LEGISLATIVE AUDIT BUREAU

March 14, 2003

by 
Bryan Naab
Audit Director

Statewide Issues ■

As part of our standard audit procedures at each state agency, we reviewed internal controls over revenues, expenditures, and the administration of federal financial assistance programs. In completing our audit work, we identified several issues that affect more than one state agency and multiple federal grant programs. We are reporting these findings in this chapter to assist the U.S. Department of Health and Human Services in the resolution process.

We report concerns with the calculation of retirement credits authorized in 1999 Wisconsin Act 11 related to federal grant programs and state matching expenditures. In total, for all state agencies, an additional \$556,277 plus an undetermined amount should have been credited to federal grants. In addition, we are concerned that during FY 2001-02, the State lapsed \$9.1 million to the General Fund from several internal service funds administered by the Department of Administration (DOA) and the Department of Electronic Government (DEG), without returning the federal share to the federal government. We also followed up on the progress DEG has made in addressing concerns related to rate setting that were included in our FY 2000-01 single audit report (report 02-7). While some progress has been made, DEG needs to take further steps in revising its rate structure.

1999 Wisconsin Act 11 Retirement Credits

The Wisconsin Retirement System (WRS) is a multiple employer pension plan that was established to provide pension benefits for state and local government employees. Employers pay retirement contributions to the WRS. When an employee works on a federal program, a share of retirement payments may be charged to the federal program based on the employee's work effort, and the governmental entity may seek reimbursement from the federal government.

As part of pension improvements enacted in 1999 Wisconsin Act 11, the Legislature granted employers in the WRS a \$200 million credit. The credit was to be applied against future payments to the WRS. Federal rules require that to the extent credits received by the government relate to reimbursed costs, they should be credited to the federal award as either a cost reduction or a cash refund. Since a share of retirement payments is charged to federal awards based on employees' work effort, a portion of the retirement credits distributed under Act 11 should be credited to the federal programs.

As directed by Act 11, the Wisconsin Department of Employee Trust Funds (ETF) calculated the amount of credit due each employer participating in the WRS, including each state agency, and informed employers of the amounts of their credits in June 2001. The total credit for all state agencies was \$53.3 million. 2001 Wisconsin Act 16 required DOA to determine for each state agency the amount of the credit granted by ETF for FYs 2000-01 and 2001-02, and to lapse from state appropriations to the General Fund the amount of the credit granted by ETF. Act 16 did not include federal appropriations in the lapsing requirement because credits related to federal grants were expected to be credited to federal programs or otherwise returned to the federal government. In addition, Act 16 excluded ETF, the State of Wisconsin Investment Board, and DOT from the lapse requirement.

We reviewed the treatment of the federal share of the retirement credit for the nine agencies that administered the major grants and subgrants we audited for FY 2001-02: DHFS, DWD, UW System, DOT, DPI, DOA, the Department of Natural Resources (DNR), the Department of Corrections (DOC), and the Department of Justice (DOJ). We identified two concerns with the retirement credit: not all federal expenditures for retirement benefits were taken into account in determining the federal portion of the credit, and most state agencies did not adequately consider the retirement credits in determining whether state matching requirements were met.

Finding WI-02-1: Calculation of the Federal Credit

The DOA State Controller's Office (SCO) calculated the percentage of retirement payments by funding source, such as state or federal appropriations, that was charged to retirement accounting codes on WiSMART, the State's accounting system. Based on the percentage of retirement expenditures charged to federal appropriations during FY 2000-01, SCO estimated the federal share of the retirement credit for all state agencies except DOT. DOT, which was excluded from the provisions of Act 16, separately calculated the amount due the federal government related to its grants. As shown in the following table, it was determined that, in total, \$5.4 million, which is 10.2 percent of the State's total retirement credits, was attributable to retirement expenditures charged to federal appropriations.

Federal Portion of 1999 Wisconsin Act 11 Retirement Credits*
(Calculated by the State Controller's Office**)

Agency	Credit Amount
UW System	\$2,388,970
DWD	1,186,494
DHFS	781,336
DOT	528,398
DPI	200,522
DOA	51,564
DOJ	23,105
DOC	755
DNR	0
Other Agencies	267,638
Total	\$5,428,782

*Based on expenditures charged to retirement accounting codes in federal appropriations.

**SCO did not calculate the federal credit for DOT.

Based on SCO's calculation, most state agencies returned the federal portion of the credit to the federal government by determining the amount of the credit applicable to each federal program and crediting each program with its proportionate share of the credit. DWD, DHFS, DPI, DOA, and DOJ followed this methodology, and we found these agencies' calculations to be reasonable and accurate and that federal grants were credited for their fair share of the retirement credits. DOC informed us it will use this methodology to allocate its credit to federal grant programs.

DOT received approval from the Federal Highway Administration to return the credit by charging lower fringe benefit rates to its federal programs in FY 2002-03. UW System initially chose a similar approach, which would have been applied to federal programs beginning in FY 2003-04. However, because the same rates were to be used to charge fringe benefit costs to some non-federal programs, these programs would have received a portion of the credit. After we brought this to the attention of UW System staff during our audit, UW-Madison chose to directly return \$2.1 million to the federal government.

We reviewed SCO’s calculation of the retirement benefits attributable to federal appropriations and found that it was mathematically accurate based on the relative share of expenditures charged to retirement accounting codes. However, some retirement expenditures were initially recorded in state appropriations but subsequently charged to federal grants. In some instances, the SCO methodology did not calculate a credit for the federal government’s share of these expenditures. Specifically, we found the calculation did not consider agencies that used an allocation process that does not differentiate by the type of expenditure, retirement charges included in cost pools and internal service funds, and subgrants to state agencies that were accounted for in state appropriations. As shown in the table that follows, we determined that for the agencies reviewed, an additional \$556,277, plus an undetermined amount, may potentially need to be credited to federal grant programs.

Unrecognized Federal Retirement Credits

Agency	Amount
DNR	\$329,891
DWD	131,275
DHFS	43,086
DOC	33,326
DPI	12,847
DOA	5,852
Total	\$556,277*

* Plus an undetermined amount.

DNR does not charge retirement payments directly to federal appropriations. Instead, it codes payroll expenditures to a clearing account and allocates the balance in the account to the appropriate funding source. Because the retirement expenditures were not specifically identified in the federal appropriations and coded as retirement expenditures, these costs were not taken into consideration when calculating the retirement credit for DNR federal grants. DNR staff estimate that \$329,891 of the agency’s retirement credit is attributable to federal grants.

DWD uses approximately 16 cost pools in a state appropriation to collect costs for certain administrative functions, such as accounting, computer programming, and mail service. We calculated the federal portion of the retirement credit related to the two largest cost pools to be \$131,275. Additional but undetermined credits could relate to other cost pools at DWD, as well as other state agencies.

Finally, many agencies receive federal subgrants and record expenditures related to these subgrants in state appropriations. As a result, the amount of retirement payments related to these subgrants was lapsed to the General Fund instead of being credited to the subgrant. For example, DOC charged \$301,407 of retirement payments to federal grants or subgrants during FY 2000-01. SCO included only \$6,676 of this amount in its analysis because the remaining \$294,731 was accounted for in state appropriations. SCO calculated \$755 as the federal share of the retirement credit. However, had subgrants been included in this analysis, there would have been an additional federal credit of \$33,326. We noted a similar problem with subgrants at DHFS, DPI, and DOA.

As a result of these concerns, we question \$556,277 plus an undetermined amount in retirement credits that were lapsed to the General Fund rather than credited to federal grants. We note that the actual amount that may need to be returned to the federal government may be different than this amount if state agencies have other eligible expenditures that could be charged to the federal grants.

☑ Recommendation

We recommend the Wisconsin Department of Administration work with the state agencies and the federal government to determine any additional retirement credit amounts that should be returned to the federal government.

Questioned Costs: Multiple Grants: Calculation of the Federal Credit
= \$556,277, Plus an Undetermined Amount

DOA Response and Corrective Action Plan: SCO will work with agencies to determine a more precise amount for the federal portion of the Act 11 retirement credits. In addition, SCO will apply the new federal calculation to the sick leave conversion credits, which were effective for FY 2002-03, and which are currently being lapsed to the General Fund in a manner similar to the Act 11 retirement credits. Once calculated, the federal portion of both the retirement and sick leave credits will be credited to federal grants, if necessary, in the current fiscal year to compensate the federal government for any under crediting.

Finding WI-02-2: Matching Accounts

We are also concerned that agencies did not fully consider the effect of the retirement credits when reporting state matching expenditures. The accounting for the retirement credits was complex. Effectively, agencies were directed to record retirement expenditures on WiSMART; then, amounts equal to the retirement credits related to state appropriations were lapsed to the General Fund from other accounts. Because the retirement expenditures were recorded in state appropriations, they may have been reported as state match for federal grants. However, since these amounts did, in fact, lapse to the General Fund, they are not valid state matching expenditures.

Of the nine agencies we reviewed, only two—DWD and DOJ— had adjusted for the effect of the retirement credit on state matching accounts before our audit inquiries. DWD implemented a manual process in which the grant accountants monitored state matching accounts to ensure retirement payments that had lapsed to the General Fund were excluded. For example, for the Rehabilitation Services— Vocational Rehabilitation Grants to State program (catalog #84.126), the grant accountant manually adjusted state matching expenditures for the retirement payments that had been lapsed to the General Fund.

DPI had not initially considered the retirement credits. In our review, we determined that the State Administrative Expenses for Child Nutrition (SAE) grant (catalog #10.560) was undermatched by \$3,739 because of the inclusion of retirement payments that had been lapsed to the General Fund. Subsequent to our inquiries, DPI transferred SAE expenditures from federal to state accounts to meet matching requirements and performed an analysis of the remaining grants with matching requirements to ensure the grants were in compliance.

The remaining seven agencies have not determined the effect of the retirement credits on state matching accounts. Some agency staff indicate that federal grants are overmatched and, therefore, believe that matching requirements are met even if the retirement credits are excluded. Other agencies express concern because it will take significant resources to determine the impact of the credit on state matching accounts. For example, agencies that administer many grant programs with varying matching requirements may have difficulty determining the effect of the credit. However, to ensure compliance with federal rules, state agencies are required to analyze their reported state matching expenditures to ensure federal matching requirements are being met.

Recommendation

We recommend the Wisconsin Department of Administration direct the state agencies to ensure state matching requirements for federal grants have been met and provide guidance as needed.

Questioned Costs: Multiple Grants: Matching Accounts = Undetermined

DOA Response and Corrective Action Plan: SCO will work with state agencies to ensure that matching requirements for federal grants have been met for the year in question.

Finding WI-02-03: Internal Service Fund Lapses to General Fund

Centrally, the State provides various services to other state agencies through several internal service funds administered by DOA and DEG. During FY 2001-02, DOA administered the central fleet services, financial services, facilities operations and

maintenance, and risk management funds, and DEG administered the technology services fund, which provides centralized computer processing and telecommunications services to state agencies. DOA and DEG bill state agencies for services according to their level of use. State agencies, in turn, charge user fees to state and federal accounts and seek reimbursement from the federal government for its share of the charges.

In the event cash balances accumulate in the internal service funds, DOA and DEG generally adjust rates to reduce the excess balances. Federal grants benefit from the rate adjustments through lower charges. In the event the State uses the excess balances for other purposes, federal rules require the State to return to the federal government its fair share of the excess balances.

In an effort to balance the State's budget, DOA and DEG were directed in 2001 Wisconsin Acts 16, 25, and 109 to lapse funds from several of the internal service funds to the General Fund. As shown in the following table, DOA and DEG lapsed approximately \$9.1 million to the General Fund from four internal service funds during FY 2001-02, with the most significant amounts lapsing from the technology services fund. For FY 2002-03, the planned lapses are \$3.1 million.

Internal Service Fund Lapses
FYs 2001-02 and 2002-03

Internal Service Fund	FY 2001-02	FY 2002-03
Technology Services	\$8,415,800	\$2,250,000
Financial Services	355,300	400,500
Risk Management	345,300	400,400
Fleet	8,900	300
Total	\$9,125,300	\$3,051,200

We are concerned because a portion of the amounts lapsed to the General Fund, representing excess user fees charged to federal grants and reimbursed by the federal government, should have been returned to the federal government.

State officials are providing information to the U.S. Department of Health and Human Services to resolve this issue and, in late February 2003, met with federal officials. Based on unaudited information, federal officials have estimated that as much as 47 percent of excess balances in the technology services fund may have been attributable to federal grants. While it appears the State will be required to pay the federal government some portion of the amounts lapsed to the General Fund, the final amount is dependent on negotiations with the federal government. Therefore, we question an undetermined amount.

As it deliberates the 2003-05 budget, the Wisconsin Legislature may wish to consider whether funding should be set aside to repay the federal government for its share of any amounts lapsed from internal service funds to the General Fund.

Recommendation

We recommend the Wisconsin Department of Administration and the Wisconsin Department of Electronic Government continue working with the U.S. Department of Health and Human Services to determine the share of federal funds that should be returned due to lapsing from internal service funds.

Questioned Costs: Multiple Grants: Internal Service Fund Lapses to General Fund = Undetermined

DEG Response and Corrective Action Plan: DEG will continue to work with the U.S. Department of Health and Human Services' Division of Cost Allocation to determine the share of federal funds that may be returned due to lapsed amounts from the internal service funds. DEG has met with Division of Cost Allocation staff and provided information that was requested. Further documentation will be submitted as it is prepared. Discussions will continue until a resolution of these issues is found under the rules and procedures established by the federal government.

DOA Response and Corrective Action Plan: DOA agrees to continue discussions with the U.S. Department of Health and Human Services' Division of Cost Allocation to determine what amounts, if any, should be returned to the federal government. DOA believes that repayments may only be forthcoming related to the financial services internal service fund, since the risk management and fleet internal service funds were determined to have deficit balances under the federally required A-87 reconciliation for FY 2001-02, and, therefore, these funds may not have a required federal payback at this time. DOA will provide the required information to the federal Division of Cost Allocation and await its determination. If an amount is due the federal government, DOA will determine the rate of federal participation for each fund.

Finding WI-02-4: Rate Setting

The State develops billing rates for the mainframe computer services it provides by assigning budgeted costs to various cost pools and then dividing each pool's total budgeted costs by projected usage. For rates to accurately reflect the costs of providing specific services, all costs directly related to providing each of the various mainframe services should be assigned to their proper cost pools. Costs that relate to all mainframe cost pools should be assigned to the overhead cost pool and then fairly distributed to the other pools.

During prior audits, we analyzed billing rates and had concerns with DEG's methodology for assigning costs to the overhead and central processing unit (CPU) cost pools, and we noted that federal grants may have subsidized other computer-related costs. We first reported our concerns during our FY 1998-99 audit.

As noted in last year's report (Finding WI-01-48), DEG has taken steps to address some of the issues identified in our prior audits. For instance, in establishing FY 2001-02 rates, the State excluded from the mainframe CPU cost pool approximately \$1.4 million related to providing desktop computer and local area network support services through the Small Agency Support Initiative (SASI) to 25 small state agencies that typically have little or no mainframe usage. DEG developed a separate rate structure for SASI services to more appropriately bill state agencies.

However, DEG had not changed its overall rate determination methodology, and costs continued to be inappropriately allocated amongst the various cost pools. As a result, most mainframe computer rates were higher than they would have been if the rates had been properly calculated. Since many state agencies allocate costs to federal grant programs, the federal government may have been overcharged for mainframe computer services during FY 2001-02. It is important to note, however, that if the correct mainframe rate had been charged, separate billing mechanisms would have been required for other costs, which may have resulted in additional charges to federal grants.

During our current audit, we discussed with DEG staff their efforts to address this finding. In setting rates for FY 2002-03, DEG significantly revised its rate-setting methodology. For example, it designed a new chart of accounts to facilitate accumulating and accounting for costs in appropriate costs pools and evaluated the costs assigned to its cost pools. In addition, as noted in our prior report, DEG has been contacted by the U.S. Department of Health and Human Services. DEG continues to work with the federal government to resolve this issue and has provided any requested information.

Because of DEG's efforts in this area, we make no specific recommendation at this time. We will continue to monitor DEG's progress and test the new rate-setting procedures during our FY 2002-03 audit.

Questioned Costs: Multiple Grants: Rate Setting = Undetermined

DEG Response: DEG has taken steps to adjust the funding for some items specifically identified in past reviews. In addition, DEG has made significant changes for FY 2002-03 to accumulate costs in the appropriate cost pools.

**Statewide Issues
Summary of Findings and Questioned Costs
FY 2001-02**

Noncompliance Findings Affecting Multiple Grants

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-1		Multiple Grants	Calculation of the Federal Credit	\$ 556,277 Plus an Undetermined Amount
WI-02-2		Multiple Grants	Matching Accounts	Undetermined
WI-02-3		Multiple Grants	Internal Service Fund Lapses to General Fund	Undetermined
WI-02-4		Multiple Grants	Rate Setting*	Undetermined

*Repeat finding from audit report 02-7.

Inquiries regarding resolution of findings and questioned costs should be directed to the agency contact person listed in Appendix 2 of this report.



Department of Health and Family Services ■

The Wisconsin Department of Health and Family Services administers a wide range of services to clients in communities and institutions, regulates certain care providers, and supervises and consults with local public and voluntary agencies. It administers state and federal programs involving public health, mental health, substance abuse, long-term care, services to the disabled, medical assistance, and children's services. DHFS disbursed \$6.2 billion during FY 2001-02; federal grants to the State financed \$3.0 billion of that amount.

As part of our standard audit procedures, we reviewed DHFS's internal controls over revenues, expenditures, and the administration of federal financial assistance programs. We tested DHFS's compliance with grant requirements for four type A grants and two type B grants. Overall, DHFS's internal controls were adequate, and the agency complied with the grant requirements for the programs we tested. However, in addition to the concerns identified in the statewide issues chapter, we have findings related to the Foster Care—Title IV-E program (catalog #93.658); the Medical Assistance (MA) Program (catalog #93.778); and the State Children's Insurance Program (CHIP) (catalog #93.767). We also followed up on the progress DHFS has made in implementing Findings WI-01-1 through WI-01-8 of our FY 2000-01 single audit report.

Foster Care

DHFS disbursed \$87.3 million in federal funds during FY 2001-02 under the Foster Care—Title IV-E program, which helps the State provide safe, appropriate substitute care for children who are under its jurisdiction and need temporary placement and care outside their homes. Administration of the program is the

responsibility of the counties, with the exception of Milwaukee County, where the program is administered by the Bureau of Milwaukee Child Welfare (BMCW) in DHFS's Division of Children and Family Services. Approximately \$12.7 million of the federal foster care funds expended during FY 2001-02 related to Milwaukee County foster care cases.

During our prior audit, we reported significant internal control and compliance concerns related to BMCW's administration of the Foster Care—Title IV-E program. While DHFS has taken or is in the processing of taking corrective actions, we continue to have concerns regarding administration of this program. We have prior audit follow-up comments related to case file documentation and reviews, court orders, licensing and criminal records checks for foster care providers, reimbursements for child care agencies, and the reconciliation of reimbursement reports. In addition, we identified new concerns related to unadjusted status changes, licensing and criminal records checks for group facilities, retroactive claims, and the memorandum of understanding with the Department of Corrections.

Finding WI-02-5: Case File Documentation and Reviews

DHFS has contracted with three private vendors to administer the Foster Care—Title IV-E program at five BMCW sites in Milwaukee County. Case managers at these sites are responsible for, among other things, ongoing case management, obtaining initial and subsequent court orders for the cases assigned to them, and determining and documenting any supplemental and exceptional needs payments to foster families. DHFS has also contracted with a private firm to make preliminary determinations and annual redeterminations of whether children in Milwaukee County are eligible for the program and whether payments to foster care providers are federally reimbursable under the program. The final review and approval of all determinations is the responsibility of BMCW program evaluation managers. The private contractors and BMCW staff use the Wisconsin Statewide Automated Child Welfare Information System (WiSACWIS) to maintain case information, document eligibility determinations, and issue payments to foster care providers.

To be eligible to participate in the State's foster care program, a child must, among other requirements, be under 18 years of age, a U.S. citizen, and a member of a family with an annual income of less than \$10,000. Foster care providers receive financial assistance to help pay for the costs of caring for foster children. Generally, the State seeks reimbursement from the federal government for a portion of program costs. However, in some instances, such as when the State does not have continuing legal responsibility, children may be eligible to participate in the program, but federal rules do not allow the State to receive federal reimbursement.

Children referred to BMCW are placed with foster care providers as quickly as practical. As a result, it is possible that financial assistance to the providers begins before all documentation is available to determine whether the child is eligible and the foster care payments are federally reimbursable. Once all necessary documentation is obtained, child eligibility information is entered into WiSACWIS using a series of eligibility determination screens. Federal rules require the State to annually redetermine that the children continue to be eligible to participate in the program. These eligibility redeterminations are also entered into WiSACWIS. BMCW program evaluation managers review and approve the determinations and sign hard-copy printouts of the eligibility determination or redetermination screens, which are placed in the child's case file.

The basic rate paid to a foster care provider is established during the State's biennial budget process and is based on the age of the foster child. In addition, a foster care provider may receive supplemental and exceptional payments based on the child's physical and mental condition. BMCW requires the case manager to complete the Uniform Foster Care Rate Setting form, which documents the authorized supplemental and exceptional payment amounts, within 30 days of the child's placement with a foster care family. The supplemental and exceptional payment rates are entered into WiSACWIS, and the form is placed in the child's case file. BMCW requires the case manager to review the form every six months to ensure the supplemental and exceptional payments continue to be appropriate.

In our prior two audits, we reported serious weaknesses in BMCW's internal control over administration of the Foster Care—Title IV-E program. Due to these weaknesses, we identified payments to foster care providers that were made for the wrong basic rate or for amounts that differed from supplemental and exceptional amounts documented on the Uniform Foster Care Rate Setting forms. In addition, staff did not always perform the semi-annual review to ensure the supplemental and exceptional payments continued to be appropriate. While some prior-year corrective actions had been implemented, in last year's audit we recommended DHFS investigate the circumstances that allowed unsupported foster care payments to continue to be made and take additional corrective actions (Finding WI-01-2).

DHFS has acknowledged the need for continued improvement in this area and has implemented several corrective actions. Most important, DHFS has contracted with a new vendor to provide out-of-home care services, such as licensing foster home providers and establishing the providers on WiSACWIS. In addition, effective May 2002, the program evaluation managers conduct monthly reviews to ensure rate-setting forms for all foster care cases arising during the prior month were appropriately completed, and they conduct monthly reviews of 10 percent of existing cases to ensure the rate-setting forms had been completed within the last six months. Those BMCW sites not meeting established compliance standards are subject to financial sanctions. Finally, program evaluation managers now verify that supplemental and exceptional payment amounts established on WiSACWIS agree with the amounts approved on the rate-setting form.

We arbitrarily selected 41 of the approximately 5,500 BMCW case files to determine whether corrective actions by DHFS have been effective in reducing the instances of unsupported payments to foster care providers. We found fewer exceptions and, based on the results of our testing, it appears that DHFS has improved in this area. In addition, we selected nine cases considered exceptions in our prior audit and found DHFS has taken corrective actions for those cases.

Basic Payments

None of the basic payments that we tested exceeded the statutory rates. However, as in our prior audit, we noted two cases in which basic payments were less than the statutory rate for the child's age group. In one case, the foster care provider should have received \$391 per month, which is the statutorily authorized basic payment for a 16-year-old child, but BMCW paid the provider \$375 per month, which is the payment for a child in the 12- to 14-year-old age range. In the second case, the foster care provider should have received \$329 per month, which is the authorized payment for a 6-year-old, but BMCW paid the provider \$302 per month, which is the payment for a child in the 0- to 4-year-old age range.

We discussed our concerns with BMCW staff, who stated that corrective payments will be made to the two foster care providers. BMCW management also stated there would be further investigation into the cause of these underpayments to ensure providers are paid at the correct rate. We do not question any costs because the federal government was not overcharged for the basic foster care payments we tested.

Supplemental and Exceptional Payments

The 50 case files selected for review included 6 cases identified during our prior audit as exceptions for supplemental and exceptional payments. Of the 44 remaining cases, 15 received supplemental and exceptional payments during FY 2001-02. BMCW appears to be implementing reasonable corrective actions. BMCW had appropriately reviewed the Uniform Foster Care Rate Setting forms for the 6 cases identified in our prior audit, as well as for 14 of the 15 other cases tested that received supplemental and exceptional payments during our audit period.

However, because corrective actions were implemented late in the year, DHFS made payments during the first portion of FY 2001-02 based on outdated forms. For example, payments made from July 2001 through April 2002 for one case were based on a rate review performed in February 1995. Because prior rate reviews were not performed in a timely manner, it is unknown whether providers received payments appropriate to the child's situation. Therefore, we question an undetermined amount for supplemental and exceptional payments.

In addition to the previously noted corrective actions, DHFS implemented rate-setting enhancements in WiSACWIS during January 2003 that are designed to provide electronic storage of the rate-setting forms, provide notification to the case manager to perform the required rate reviews every six months, and require on-line supervisory approval of additions or changes to supplemental and exceptional payments. We will review these system enhancements during next year's single audit.

Annual Redeterminations

While it appears that DHFS is implementing reasonable corrective actions to reduce our prior audit concerns related to basic, supplemental, and exceptional payments, we identified a serious new concern during our current audit related to the required annual redeterminations. As noted, federal rules require DHFS to annually redetermine whether children continue to be eligible to participate in the program. DHFS has contracted with a private firm to assist in the redetermination process.

For 8 of the 50 cases tested, eligibility redeterminations were not performed within 12 months of the prior determination. While DHFS requested the contractor to perform the redeterminations for all cases before providing the case files to us for our August 2002 review, as shown in the table that follows, the reviews for eight cases were performed up to 28 months after the prior determination.

Foster Care Redeterminations

Observation	Redetermination Date	Date of Prior Review	Number of Months between Redeterminations
1	7/24/02	10/1/00	21
2	7/25/02 and 8/5/02	5/17/00	26
3	8/2/02	4/2/00	28
4	8/1/02	10/20/00	22
5	7/25/02 and 7/31/02	6/28/00	25
6	7/31/02	Unknown	Unknown
7	8/1/02	11/1/00	21
8	8/5/02	5/31/01	14

It is important to redetermine eligibility in a timely manner to ensure compliance with federal regulations and to ensure claims for federal reimbursement under the Foster Care—Title IV-E program are appropriate. While it was determined that two of the eight cases were eligible for federal reimbursement for some of the payments made to foster care providers during our audit period, after current court orders had been obtained, five of the remaining cases were not eligible for reimbursement of foster care payments because the current court orders did not contain all required language. The eighth case was determined to be ineligible since November 1995 because the child had not been physically removed from the home. We note the eligibility file for this eighth case had been misplaced and was reconstructed only after being selected for our FY 2001-02 audit.

We provided information on the exceptions we identified to BMCW staff. BMCW staff explained one reason the redeterminations were delayed was because the court orders and extensions required to be completed for the redetermination were not being obtained in a timely manner because of a backlog at the courts. In addition, the courts were not always using the federally required language. Although BMCW staff were monitoring the status of redeterminations through reports and meetings with the contractor, BMCW staff agreed that further controls and monitoring were warranted. Because of errors noted for the cases tested and the potential for errors in the remaining cases administered by BMCW, DHFS needs to give priority to ensuring that foster care redeterminations are completed as required and that all case files are properly maintained.

As a result of delays in performing the redeterminations, the federal government was, at least for the cases we reviewed, temporarily overcharged for its share of foster care costs. For the eight cases we identified, BMCW appropriately changed the eligibility status in WiSACWIS, which effectively returned to the federal government \$25,739 in unallowed foster care payments made during our audit period and an additional but unknown amount for prior periods. However, we question an undetermined amount for other cases administered by BMCW that are ineligible or not reimbursable.

Recommendation

We recommend the Wisconsin Department of Health and Family Services' Bureau of Milwaukee Child Welfare ensure foster care eligibility redeterminations are completed at least every 12 months and that all foster care case files are properly maintained.

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0201WI1401 and G0101WI1401): Case File Documentation and Reviews = Undetermined

DHFS Response and Corrective Action Plan: DHFS agrees that corrective action steps taken have resulted in significant improvements to accuracy in payments to foster care providers. These actions included:

- contracting with a new vendor to license foster homes and establish the providers on WiSACWIS;
- providing additional rate-setting training to staff;
- sending a written notice to foster parents concerning the rate established for them;
- implementing a monthly review of rate-setting accuracy and amounts approved on WiSACWIS by the program evaluation managers, with financial sanctions to vendor agencies for noncompliance; and

- implementing a rate-setting enhancement in WiSACWIS in January 2003, which includes having the rate-setting form and approval process in the system.

In addition to the above, all ongoing vendor agency contracts for 2003 include a performance incentive payment for compliance with rate-setting requirements.

With regard to the two basic payment cases noted during the FY 2001-02 audit, the Division of Children and Family Services within DHFS agrees that basic payments were less than the statutory rate for each child's age group. In both cases, the payment errors have been corrected. The sites are notified when a child enters a new age group that would affect the base rate, and Lutheran Social Services, as a routine part of weekly supervision meetings with staff, reviews whether the provider license needs to be amended to accommodate changes in children's ages for birthdays. In addition, Lutheran Social Services is reviewing its policies for writing licenses to determine whether it needs to broaden the age ranges.

According to the Child Welfare Policy Manual, the federal expectation is that IV-E redeterminations be done on an annual basis. However, if the redetermination is done late, the fact that the redetermination is late on its own does not affect the child's eligibility for IV-E reimbursement. Once the redetermination is done, the reimbursability of the child has to be done correctly for all of the months in question. In addition, Federal PIQ 89-05 specifies if there is a two- or three-year gap in redeterminations, the timeliness of the redeterminations is not an eligibility issue. For purpose of federal IV-E reviews, the State is allowed a period of 30 days to reconstruct the redeterminations for the case.

Some redeterminations were not consistently done within 12 months of the last review. This was the result of some procedure/policy/law and system changes. Before 2000, the JUSTICE system was used as the documentation for court orders. However, the JUSTICE system is no longer used by the court system. Also, the federal review of the Foster Care program clarified that a signed court order was necessary to show jurisdiction was granted, not just verification on a computer system. In 2001, the new rule came into effect mandating specific language to document that reasonable efforts were made to finalize the permanency plan. These changes necessitated a change in language in the court orders. At the same time, the courts were backlogged on completing court orders and getting them to the appropriate case managers. In response, BMCW, the courts, and our contractor have worked together to ensure the proper language is included in all court orders to meet federal requirements. Changes in the court order language to meet reasonable efforts criteria started to appear in fall 2001. Efforts in writing and receiving the court orders within an appropriate time line included:

- 1) In December 2000, BMCW helped facilitate a process for handwriting original disposition orders at Children's Court in order to eliminate the backlog of original disposition orders at Children's Court. Due to the success of this process, as of April 1, 2002, the courts are also now handwriting court orders for extensions rather than typing them.
 - 2) The contractor developed a work improvement plan to ensure all redeterminations are completed.
 - 3) As part of the work improvement plan, the contractor created a process with the sites to have the outstanding court orders located and sent to the contractor so contractor staff could make the redeterminations.
 - 4) The contractor also worked with the clerk of court and BMCW to establish a process to ensure it obtains all new handwritten court orders.
 - 5) The contractor is also beginning to receive copies of the permanency plan reviews from the court commissioner's office, which aid them in completing timely redeterminations.
-

Finding WI-02-6: Court Orders

Federal rules state that federal foster care benefits may be paid on behalf of a child only if the child's placement and care are the continuing legal responsibility, as evidenced by a court order, of either the state agency administering the approved foster care plan or another public agency under a valid agreement with the state agency. Additionally, within 12 months of the date the child entered foster care and at least once every 12 months thereafter, there must be a judicial determination that the State made "reasonable efforts to finalize the permanency plan."

The State is responsible for obtaining annual court order extensions for BMCW cases to document that it continues to be legally responsible for the children. These court order extensions must include the judicial determination that the State made reasonable efforts to finalize the child's permanency plans during the past 12 months. If the initial orders or extensions do not include the required provisions, or if the extensions are not received within 12 months, the State is not eligible to receive federal reimbursement for payments to foster care providers. According to BMCW written procedures, the original court orders and extensions are to be placed in the child's case file.

In our prior audit, we noted that not all case files contained the necessary court orders (Finding WI-01-3). DHFS agreed with our concerns and has taken the following corrective actions:

- BMCW worked with the Children’s Court, the District Attorney’s office, and others and, as of March 2002, now obtains original court orders or extensions before leaving court hearings.
- BMCW reiterated its written policy to its vendors providing ongoing case management services, which state that 1) court order extensions must be requested no later than 90 days prior to the expiration of the court order; 2) all requests for court order extensions are now monitored by the court liaison at each BMCW site, who logs each case submitted along with the expiration date of the court order; and 3) BMCW program evaluation managers review the logs monthly to determine whether court order extensions were obtained in a timely manner. However, we note that BMCW does not have procedures to ensure all court order extensions that should be requested are, in fact, requested and entered on the log.
- Effective May 2002, BMCW imposes fiscal sanctions on vendors providing ongoing case management services if established compliance criteria are not met.

Because these corrective actions were implemented late in our audit period, continued noncompliance with court order requirements during the first part of the audit period would not be unexpected. Of the 50 cases tested, 40 had yet to be subject to the corrective actions at the time of our review. Five of these 40 cases had exceptions. In two cases, the court orders had lapsed and, therefore, the children were not the continuing legal responsibility of the State. For three cases, the court orders did not include the required judicial determination that the State made reasonable efforts to finalize the permanency plans for the children.

Ten of the 50 cases we tested had been subject to corrective actions by DHFS, such as review by a program evaluation manager. However, we identified three instances in which the required judicial determination had not been made. The reason BMCW did not detect that the State lacked the required judicial determinations may be that this attribute is not included in the program evaluation managers’ monthly review of the court order log.

BMCW determined that payments to foster care providers for the eight exceptions were not federally reimbursable when it made its eligibility redeterminations discussed in the previous section, titled “Annual Redeterminations” (p. 29). Therefore, the federal government has already been reimbursed for any unallowed costs. However, we question an undetermined amount for additional court order exceptions that may exist for the foster care cases administered by BMCW that we did not test. While BMCW has implemented several corrective actions, additional improvement is needed in this area.

☑ Recommendation

We recommend the Wisconsin Department of Health and Family Services' Bureau of Milwaukee Child Welfare:

- *continue its efforts to ensure current court orders or extensions contain the required language;*
- *ensure that all court order extensions that should be requested are, in fact, requested; and*
- *amend its monthly review procedures to include verification that the State has received all required judicial determinations in the court orders and extensions.*

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0201WI1401 and G0101WI1401): Court Orders = Undetermined

DHFS Response and Corrective Action Plan: DHFS agrees with concerns that not all case files contained the necessary court orders, but that corrective actions have been taken to ensure compliance. DHFS worked with the District Attorney's office to ensure any missing court orders were written and signed by the court and placed in the children's case files. In addition, the following actions were taken:

- procedures were implemented to obtain handwritten original court orders or extensions prior to leaving court hearings;
- monitoring of court extensions by court liaisons was implemented to ensure vendor agencies request extensions no later than 90 days prior to the expiration of the court order; and
- program evaluation managers review court order extension logs on a monthly basis, and fiscal sanctions are implemented on vendors for failure to file timely extensions.

Some cases were identified that did not have the correct language concerning reasonable effort to effectuate the permanency plan; however, this should be corrected because the courts are now using templates that include this language.

The auditors note that DHFS does not have procedures to ensure all court order extensions that should be requested are, in fact, requested. DHFS will soon be able to track this via WiSACWIS reports. A WiSACWIS build, effective on February 24, 2003, will provide DHFS management with the

ability to track both timely occurrence of permanency plans and information concerning all court orders that need extension requests. The program evaluation managers will be able to compare this report information with the court extension lists submitted by the court liaisons.

Finding WI-02-7: Unadjusted Status Changes

The status of foster care cases can change when circumstances change. Such changes can affect eligibility and whether a case is federally reimbursable. Generally, WiSACWIS is updated for the changes, which are taken into consideration when calculating federal reimbursement claims. However, during our prior audit we determined that in certain instances, WiSACWIS does not allow changes to the eligibility and reimbursability status of a foster care case. For example, after a child turns 18 years of age, WiSACWIS currently prohibits any changes to the status of the case. We made oral recommendations for BMCW staff to log instances in which WiSACWIS does not accept status changes and to manually calculate any adjustments to federal reimbursement claims.

Private contractor staff began using a spreadsheet on April 1, 2002, to log cases for which status changes could not be entered into WiSACWIS. Between April 1, 2002, and August 6, 2002, the date of our on-site review, contractor staff logged 245 cases for which status changes could not be made in WiSACWIS. DHFS informed us that it is currently working on a change order for WiSACWIS. This change order would allow status changes currently being logged on the contractor's manual spreadsheet to be entered directly into WiSACWIS. The target date for documentation of the change order is April 1, 2003, with the actual computer programming changes to be completed later.

Two of the 50 cases we tested involved changes in the eligibility and reimbursability status that could not be entered into WiSACWIS. For these two cases, we calculated that the State received \$2,866 in excess reimbursements that should have been returned to the federal government. We provided our calculations to DHFS staff, who informed us that manual tracking and adjustments were planned for these costs. DHFS staff made the appropriate adjustments on December 26, 2002, which effectively returned the unallowed costs for these two cases to the federal government. DHFS informed us that the remaining adjustments from the contractor's manual spreadsheet were included with the claim for the period ending December 31, 2002.

Recommendation

We recommend the Wisconsin Department of Health and Family Services' Bureau of Milwaukee Child Welfare ensure the effect of status changes that cannot be entered into WiSACWIS are determined and included in the quarterly federal Foster Care report.

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0201WI1401 and G0101WI1401): Unadjusted Status Changes = None

DHFS Response and Corrective Action Plan: DHFS is fully aware of this issue and agrees with this recommendation. Until the WiSACWIS automated system is built, contractor staff will continue to log on a manual spreadsheet cases that cannot be entered into WiSACWIS. The DHFS Bureau of Fiscal Services (BFS) will include adjustments from the spreadsheet on the quarterly federal Foster Care report.

Finding WI-02-8: Licensing and Criminal Records Checks for Foster Care Providers

Federal rules specify that foster care benefits may be paid to a foster care provider only if the provider is fully licensed by the State and if members in the foster family household pass criminal records checks. Licensing of foster care providers and treatment homes is the responsibility of the counties, with the exception of Milwaukee County, where licensing is the responsibility of DHFS. BMCW had contracted with Milwaukee County to license foster care providers in Milwaukee County through FY 2000-01. Effective September 17, 2001, BMCW contracted with Lutheran Social Services for licensing and other foster care services.

For the State of Wisconsin, providers must renew their licenses every two years. As part of the licensing process, the State requires applicants to provide disclosures about crimes and offenses committed by the provider and other members of the household who are 12 years old and older. In addition, state regulations require that a criminal history check on the provider and members of the household who are 18 years and older be performed through the Wisconsin Department of Justice at least once every four years. The background disclosures and criminal records checks are necessary to reduce the possibility of placing children in unsafe foster care homes.

In our prior audit, we noted severe documentation and procedural deficiencies related to licensing and criminal records checks performed under contract with Milwaukee County, including no evidence that required criminal records checks were performed, missing or incomplete application materials, and late renewals of licenses (Finding WI-01-1). In its corrective action plan, DHFS noted that it expected improvements to result from the transfer of licensing responsibilities to Lutheran Social Services. In addition, DHFS implemented other corrective actions, including increased monitoring of Lutheran Social Services' efforts and requiring that criminal records checks be performed every two years, rather than every four years.

We selected 12 Milwaukee County foster care case files to test for licensing and criminal records check requirements. Nine providers were licensed by Lutheran Social Services, and three providers were most recently licensed by Milwaukee County.

Based on our current audit testing, it appears corrective actions by DHFS have been effective and have reduced the exceptions related to licensing and criminal records checks. We noted overall improvement in the licensing file documentation and issuance of licenses by Lutheran Social Services for the nine foster care providers reviewed. Lutheran Social Services obtained the required disclosure forms and criminal records checks for all providers and other household members, and licenses were generally renewed in a timely manner. However, we noted two background disclosure forms were not signed, and one application was dated four days after the effective date of the license. We do not question costs for these deficiencies because they appear to be administrative in nature. We encourage DHFS to continue its efforts to ensure Lutheran Social Services properly documents and issues foster care provider licenses and obtains the necessary criminal records checks.

In testing the three files for which Milwaukee County issued the most recent foster care provider license, we found documentation to be missing or dated after the effective date of the license, which is consistent with the concerns noted in our prior audit. While criminal records checks were performed for the providers, two files contained no evidence that the required criminal records checks were performed for other members of the household who were at least 18 years old. In addition, the third file did not contain documentation of the required criminal records check, although we determined from other sources that the criminal records check was, in fact, completed in the past four years. Finally, the license for one of three providers had been issued seven months after the effective date of the license.

During FY 2001-02, DHFS paid \$6,420 to the two providers during the months the household members without the required criminal records check resided in the foster home. Since we were unable to determine whether these providers met the standards for full approval as a foster home, the payments to the foster care providers were not eligible for federal reimbursement. On December 26, 2002, DHFS effectively returned to the federal government \$3,984, representing the federal share of payments to these two providers.

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0201WI1401 and G0101WI1401): Licensing and Criminal Records Checks for Foster Care Providers = None

DHFS Response and Corrective Action Plan: DHFS agrees with the auditor's comments in this area, including that significant improvements have been made since the responsibility for licensing file documentation and issuance of licenses was changed from Milwaukee County to Lutheran Social Services. Corrections were made by Lutheran Social Services for the administrative deficiencies identified in the prior audit. DHFS will continue to monitor Lutheran Social Services to ensure appropriate documentation and timely issuance of foster care licenses. The calendar year 2003 contract

with Lutheran Social Services provides for performance incentives for timely issuance of applications for new foster home licenses and renewals. In addition, on a monthly basis, the program evaluation managers review a random sample of license applications to ensure that the appropriate background checks are being conducted.

Finding WI-02-9: Licensing and Criminal Records Checks for Group Facilities

While counties are generally responsible for licensing foster care providers and treatment homes, the Bureau of Regulation and Licensing within DHFS is responsible for licensing group facilities, which include shelters, group homes, and residential care centers for children and youth. Licensing specialists at five Bureau of Regulation and Licensing sites are responsible for, among other things, investigating applicants to ensure they meet minimum licensing requirements. Investigations include a criminal records check of the applicant, an on-site safety inspection of the facility, and a review of facility personnel records. Group facilities are responsible for ensuring staff hired meet state health and safety requirements, including obtaining a criminal records check by the Wisconsin Department of Justice. The licensing file for a group facility must contain documentation that safety requirements were taken into consideration when hiring staff.

Foster care providers in Wisconsin must renew their licenses every two years, and a criminal records check is required at least every four years. The licensing specialist is responsible for completing an on-site safety review of the facility, including a personnel records review of staff employed by the facility, during each two-year licensing period.

Based on our review of licensing files for 10 of the 201 group facilities licensed during our audit period, we identified several concerns with the Bureau of Regulation and Licensing's procedures. We found documentation or procedural deficiencies in five of the ten licensing files reviewed. For example:

- One file contained an unapproved on-site checklist, which was not signed by the licensing specialist. The unapproved checklist did not include necessary assurances that safety considerations with respect to staff of the facility were reviewed. In response to our questions, the licensing specialist performed an on-site personnel records check and noted that the facility had not performed the required criminal records check for one employee. DHFS paid \$43,953 to this facility for the care of one foster child during FY 2001-02, the federal share of which, \$9,952, needed to be returned to the federal government. We verified that DHFS's December 26, 2002 federal reimbursement claim was adjusted, which effectively returned the unallowed amount to the federal government.

- One file provided no evidence that licensing staff had performed an on-site review of personnel records since May 1998. Since there were no payments or federal reimbursements claimed during FY 2001-02 for this facility, we do not have questioned costs. However, since the facility is licensed, foster children may have been placed with this facility in the past. DHFS staff have informed us that this facility has closed after the time of our review.
- One file did not contain evidence licensing staff had verified that the facility ensured its off-site supervisor had met state health and safety requirements. In response to our audit inquiries, Bureau of Regulation and Licensing staff obtained copies of the background disclosure form and criminal records checks performed by the facility.
- One file did not contain the required background disclosure form and criminal records check of the applicant or, as allowed by DHFS policy because the applicant was a governmental entity, a written waiver stating that the governmental applicant had no contact with children.
- One file did not contain a background disclosure form from the applicant, and the required criminal records check was performed after the effective date of the current license.

We do not question costs for the last three files because the deficiencies were administrative in nature; however, based on our review of ten licensing files, it appears DHFS needs to take steps to improve compliance with licensing policies and procedures.

DHFS management explained that licensing staff may have misunderstood established licensing policies and procedures. For example, some licensing staff believed that the personnel records checklist needed to be completed only if problems were identified, while other staff believed that once problems were identified and a noncompliance report was completed for a facility, the personnel records checklist could be destroyed. Although regional chiefs perform licensing file reviews, it appears the reviews may not be sufficient to ensure the licensing requirements are met and properly documented.

Recommendation

We recommend the Wisconsin Department of Health and Family Services' Bureau of Regulation and Licensing:

- *communicate and ensure compliance with established licensing policies and procedures, including the use of authorized forms;*

- *maintain appropriate information in the licensing files to document compliance with federal and state rules; and*
- *improve the reviews of licensing files to ensure the licensing requirements are met and properly documented.*

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0201WI1401 and G0101WI1401): Licensing and Criminal Records Checks for Group Facilities = None

DHFS Response and Corrective Action Plan: All deficiencies found by the auditors were corrected at the time they were identified. In addition, a plan was developed and implemented to ensure child welfare files contain all required information. For example:

- All child welfare licensing specialists were to receive training on appropriate documentation and forms to be used, including the requirement for signed and dated forms. This training was completed for all staff in February 2003.
- A quality assurance checklist was developed that included all licensing requirements identified in the audit.
- All child welfare files would be reviewed by the regional licensing chiefs, using the checklist, to ensure all files contained the required information/documentation. This review of all files was completed in December 2002.
- A second “Safety Record Review” checklist was developed to use as a quality assurance tool when checking or reviewing facility files for requirements.

Finding WI-02-10: Reimbursements for Child Care Agencies

DHFS contracts with group homes and residential care centers to have them provide food, clothing, shelter, and daily supervision to foster children in a group setting. A portion of the payments to these child care agencies is funded by the federal government under the Foster Care—Title IV-E program and MA, with the remainder funded by the State. During FY 2001-02, DHFS claimed federal reimbursements of \$8.1 million under the Foster Care—Title IV-E program and \$752,000 under MA for payments to child care agencies.

The procedures to determine the reimbursement rates for child care agencies and the amount of federal reimbursement are complex. The agency rates are formalized by the DHFS Division of Children and Family Services, based on estimates of costs

provided by the agencies. BFS is responsible for claiming federal funds under the Foster Care—Title IV-E and MA programs on an estimated basis during the calendar year in which services are provided, then completing an analysis to adjust the level of federal reimbursement between the two programs based on the actual costs incurred by the child care agencies as reported in audited financial reports from these agencies.

In our prior audit, we were concerned that BFS was basing its estimates for federal reimbursement on outdated information and, for child care agencies outside of Milwaukee County, that BFS had not adjusted the reimbursements between the two federal programs since calendar year 1995 (Finding WI-01-4).

BFS has acknowledged that more updated and complete staff work was needed to ensure the most current information was used and that the rates were adjusted in a more timely manner. In addition, since April 2002, the following corrective actions have been taken:

- BFS updates the rate schedules monthly with the latest federal financial participation percentages and daily rates, and enters the most current rates into the Human Services Reporting System.
- BFS updates the audit comparison worksheets monthly and shares the worksheets with the DHFS Office of Program Review and Audit. These worksheets identify the facilities from which audited information has not been received. BFS staff work closely with program staff to identify closed facilities.
- BFS began working with a contractor to complete the retroactive claim adjustments for non-Milwaukee counties and to create a procedure to automate the process to ensure the claims are based on the most current financial information available.

It appears that these corrective actions have been largely successful. At the time of our review in August 2002, BFS used the most current audit available to calculate the federal financial participation percentages for 56 of the 57 residential care centers and 114 of the 120 group homes participating in the programs statewide. The reasons for not using the most current audit report for the remaining facilities were reasonable, such as that a facility was new or because the facility's report was being reviewed by the DHFS Office of Program Review and Audit. In addition, based on our testing of ten selected child care agencies, it appears that BFS used the most current information available to claim federal reimbursements for the agencies.

However, DHFS has not fully implemented corrective actions related to retroactive claim adjustments. Retroactive claim adjustments are a necessary part of the process because estimates used to initially reimburse child care agencies may vary from actual costs.

During our prior audit, we found DHFS had completed retroactive claim adjustments through calendar year 1999, the most recent year for which financial reports were available, for facilities in Milwaukee County, as well as for children under the responsibility of the DHFS Division of Children and Family Services and the Department of Corrections. In reviewing this area during our current audit, we found that DHFS made retroactive claim adjustments for these facilities and claimed an additional \$228,438 in Foster Care—Title IV-E funds and an additional \$16,675 in MA funds for calendar year 2000. Since the required audited data from the agencies are not available until two years after the calendar year in which the payments were made, retroactive claims for these facilities are up-to-date.

However, while DHFS planned to work with a contractor to complete retroactive adjustments back to calendar year 1996 for the child care facilities serving children in counties other than Milwaukee County, DHFS has not yet been able to provide the contractor with the necessary information. Therefore, these retroactive adjustments have not been completed as previously planned. Because these adjustments have not been made, DHFS may have overcharged or undercharged the federal government under the Foster Care—Title IV-E and MA programs for child care facilities outside Milwaukee County.

Recommendation

We recommend the Wisconsin Department of Health and Family Services' Bureau of Fiscal Services continue efforts to complete retroactive adjustments for reimbursements for child care agencies in a timely manner.

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s include G0201WI1401, G0101WI1401, G0001WI1401, and G9901WI1401): Reimbursements for Child Care Agencies = Undetermined

Medical Assistance Program (catalog #93.778, award #s include 050205WI5028, 050105WI5028, 050005WI5028, and 059905WI5028): Reimbursements for Child Care Agencies = Undetermined

DHFS Response and Corrective Action Plan: BFS will continue efforts to complete retroactive claim adjustments in a timely manner.

Finding WI-02-11: Reconciliation of Reimbursement Reports

As the unit of government that directly administers the child welfare system in Milwaukee County, the State must have a federally approved system to summarize case information and make payments to providers. The State implemented WiSACWIS, which was purchased from a private vendor, for this purpose. Quarterly, DHFS requests federal reimbursement for provider payments based on the monthly claiming reports generated by WiSACWIS, which summarize the federal and state share of payments to providers. During our prior audit, we were

concerned because WiSACWIS was not providing the supporting information required to assure the State's claims for federal program funds were correct (Finding WI-01-5).

In response to the prior audit concerns, DHFS developed a detail payment report that itemizes both payments made during the month and their funding sources, such as foster care, adoption assistance, kinship care, or state funds. Logically, the total of all payments captured by the detail report for a selected funding source should equal the amount on the claiming report. In developing the detail payment report, WiSACWIS programming staff attempted to reconcile the detail payment report to the claiming report. However, those attempts produced varied results. Through continued efforts into FY 2002-03, DHFS programming staff determined there were two causes for the reconciliation variances: programming errors affecting only the detail payment report, and inconsistent coding by BMCW workers during the placement setup process. Based on our follow-up testing performed during January 2003, it appears programming errors and many of the coding inconsistencies have been corrected. While immaterial variances of \$3,000 or less continued to exist for the monthly reports tested, they are believed to be caused by remaining coding inconsistencies, which do not appear to affect the federal reimbursement claims.

Effective January 2003, the detail payment report is run on a monthly basis. However, we were told that, due to staff shortages, BFS does not currently plan to reconcile the monthly claiming report to the detail report. We believe it is important that these reports be routinely reconciled to ensure circumstances do not change and that the amounts claimed as federal reimbursements continue to be supported.

Recommendation

We recommend the Wisconsin Department of Health and Family Services:

- *continue to review and correct placement coding to ensure the detail report is correct; and*
- *establish and implement routine procedures to reconcile the monthly claiming reports to the monthly detail payment reports to support the claims for federal reimbursement of foster care payments.*

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0201WI1401 and G0101WI1401): Reconciliation of Reimbursement Reports = None

DHFS Response and Corrective Action Plan: BFS has developed an "audit" report that provides the detail to support our Foster Care report. As noted by the auditors, all federal amounts from our Foster Care reports were supported by the detail in the "audit" report. In fact, the amounts

from the two reports were in exact agreement. The \$3,000 variance, out of approximately \$2.8 million, found during the audit for non-federal costs does not indicate a major problem with our placement coding. If material variances would be discovered, we would take the time to review and correct the placement coding.

Finding WI-02-12: Retroactive Claims

DHFS has contracted with a private firm since 1997 to determine whether Wisconsin could retroactively claim any additional federal reimbursements under the Foster Care—Title IV-E program. Under the technical assistance terms of the contract, the contractor prepares a variety of types of claims. During FY 2001-02, the contractor determined that DHFS could claim an additional \$4.1 million in federal foster care funds, including \$1.6 million in “front-end gap” claims.

While the contractor performs a quality assurance review of its retroactive claims determination process, we had expected DHFS would review claiming documentation to ensure it is reasonable and properly supported. However, DHFS indicated that because of staffing limitations, it cannot review 100 percent of the cases in the retroactive claims received from the contractor before including the amounts in the quarterly federal reports and claiming federal reimbursement. Without such review, DHFS increases the risk that amounts included in the quarterly federal report are not allowable.

We judgmentally selected 20 foster care cases from the various claims prepared by the contractor and submitted to DHFS for inclusion in the quarterly federal reports during FY 2001-02. While we did not find exceptions for the 11 cases we tested related to other types of claims, we did identify concerns with 7 of the 9 cases we tested related to front-end gap claims.

Children referred for foster care are placed with foster care providers as quickly as possible. As a result, it is possible that payments are made to providers before all documentation is available to determine whether the case is eligible and the provider payments are federally reimbursable. This creates a front-end gap between the time the State makes payments to foster care providers and the time the State seeks federal reimbursement.

The process to determine the front-end gap claim is complex. Currently, WiSACWIS automatically calculates any adjustments to prior federal Foster Care claims when the final eligibility status is determined and entered into WiSACWIS. However, before December 11, 2000, these adjustments needed to be calculated manually.

During FY 2001-02, the contractor submitted to DHFS a Milwaukee County front-end gap claim covering 1,287 cases for the period April through December 2000, with the federal share totaling \$1,425,872, and a non-Milwaukee front-end gap claim covering 1,131 cases for the period July through

December 2000, with the federal share totaling \$175,951. As summarized in the table that follows, we identified errors in all six of the Milwaukee County cases we tested and in one of the three of the non-Milwaukee County cases we tested.

Summary of Retroactive Claim Errors
FY 2001-02

Case	County	Payments Claimed for the Proper Gap Period?	Appropriately Consider Post-Dec. 11, 2000 Activity?	Appropriately Consider Group Facility Rate?	Only Foster Care Payments Included in Claim?
1	Milwaukee	No	N/A	No	Yes
2	Milwaukee	No	N/A	No	Yes
3	Milwaukee	Yes	No	No	Yes
4	Milwaukee	Yes	No	No	No
5	Milwaukee	Yes	N/A	No	Yes
6	Milwaukee	Yes	N/A	No	Yes
7	Non-Milw.	Yes	N/A	No	Yes

For the first two Milwaukee County cases shown in the table, the contractor inappropriately included months outside of the gap period in its calculations. For example, while documentation adequately supported a gap period of April 13, 2000 to May 3, 2000 for one case, the contractor’s retroactive claim included payments made to providers during August and September 2000, which were previously reimbursed by the federal government. As a result, DHFS received \$27,219 in duplicate federal reimbursement for the two cases for which payments were claimed outside the gap period.

For the second two Milwaukee County cases shown in the table, the contractor inappropriately included in its manual calculations payments made after December 11, 2000, even though WiSACWIS automatically adjusted for these payments on the monthly claiming reports used to calculate the quarterly federal reimbursement claims. DHFS received \$13,571 in duplicate federal reimbursement for the two cases for payments made after December 11, 2000.

The children in all six Milwaukee county cases shown in the table had been placed in group homes or residential care centers. However, contractor staff did not appropriately consider the group facility reimbursement rate for any of the cases, resulting in an over-claim of federal funds. For the first two Milwaukee County cases, questioned costs are included in the \$27,219 in duplicate federal reimbursement mentioned above. For the second two Milwaukee County cases, DHFS claimed \$8,819 in addition to the \$13,571 mentioned above because the contractor had applied incorrect group facility reimbursement rates. For the final

two Milwaukee County cases, DHFS claimed an excess of \$23,723 in federal funds because contractor staff included payments to facilities that were not currently reimbursable under the Foster Care—Title IV-E program. One of the three non-Milwaukee County cases we tested also related to a residential care center. For this case, the contractor did not apply the correct group facility foster care rate to the payments between July and December 2000. Because the rate applied was lower than the authorized rate, this error resulted in a net under-claim of federal funds of \$57. Therefore, we did not question costs for this case.

Lastly, we noted one Milwaukee County case in which the contractor erroneously included in the retroactive foster care claim a payment that was funded by the kinship care program. As a result, DHFS received an over-claim of federal foster care funds of \$127.

In total, we identified \$73,459 related to the seven front-end gap exceptions. We provided our calculations to DHFS staff, who made the appropriate adjustments on the federal report for the quarter ending December 31, 2002. Therefore, we do not question these costs. However, we do question an undetermined amount for the remaining 2,409 cases not tested in the Milwaukee and non-Milwaukee front-end gap claims. We note that any remaining adjustments could decrease, or increase, the amount previously claimed.

We discussed our concerns with contractor staff, who agreed that there were errors in the contractor's retroactive front-end gap claims. Contractor staff indicated they will recalculate and resubmit the retroactive claims to DHFS for inclusion in the federal report for the quarter ending March 31, 2003. Contractor staff note that the same individual, who is no longer with the company, prepared both claims related to the exceptions we identified.

Recommendation

We recommend the Wisconsin Department of Health and Family Services:

- *ensure the contractor recalculates the front-end gap claims, and then review the recalculations and submit the appropriate adjustments in the next federal report;*
- *review all other retroactive claims submitted by the contractor during FY 2001-02 for reasonableness and proper support; and*
- *review the retroactive claims submitted by the contractor in the future for reasonableness and proper support before including any claims in quarterly federal reports.*

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0201WI1401, G0101WI1401, and G0001WI1401):
Retroactive Claims = Undetermined

DHFS Response and Corrective Action Plan: Based on the documentation from the audit, we agree that DHFS needs to adjust and correct some errors for recalculation and retroactive claims for Foster Care. Any net over-claims were returned on our December 31, 2002 federal report. However, we disagree with the perceived magnitude of the errors.

Unless more state resources are provided, we disagree that all claims submitted by the contractor can be re-reviewed, nor is it cost beneficial to do so. The Department must rely on the expertise of the contractor in the area of federal claiming and cannot redo or review all the calculations done by the contractor. We feel that the claims in question were isolated errors and not routine occurrences. BFS will sample contractor claims for reasonableness. Based on the results of the sample, BFS will determine whether additional testing is necessary. As we face increasing workload with decreasing staff, we cannot afford to have resources dedicated to duplicative tasks.

To address the recommendation, BFS will do the following:

- BFS will ensure the contractor recalculates the front-end gap claims. BFS will review the recalculations and submit the appropriate adjustments in the next federal report.
- BFS will review a sample of cases included in all other retroactive claims submitted by the contractor during FY 2001-02 and in the future, to ensure the accuracy of these claims.

Finding WI-02-13: Memorandum of Understanding with DOC

DHFS administers the Foster Care program for the State of Wisconsin. Federal regulations allow Foster Care funds to be used for costs directly related to the administration of the program. DHFS entered into a memorandum of understanding with the Wisconsin Department of Corrections under which DHFS reimburses DOC for allowable foster care maintenance payments and administrative costs related to foster care juveniles placed with DOC. The DOC administrative costs are allocated to the Foster Care—Title IV-E program based on a time study.

As required by federal regulations, DHFS submits to the federal government its plan to allocate costs to federal grants. Because DOC is a separate governmental agency, DHFS may approve DOC's time study and stipulate in the DHFS cost allocation plan that DOC's costs are supported by a written agreement that includes, at a minimum, the specific services purchased, the basis for the billings, and that the billings are based on actual costs incurred.

However, while DHFS hired a private contractor to develop DOC's time study to allocate costs, DHFS has not reviewed or approved the methodology. In addition, the memorandum of understanding between the two agencies does not include any billing requirements related to foster care reimbursements.

In the report chapter for DOC, we discuss serious concerns regarding the costs included in the foster care cost pool and the accuracy of the time study. In response to our concerns, the private contractor recalculated the time study and cost allocation for the quarter ending December 31, 2001, and determined that the State was due an additional \$24,960 in federal foster care funds. DHFS included these funds in the foster care claim report for the quarter ending September 30, 2002.

Recommendation

We recommend the Wisconsin Department of Health and Family Services review the Department of Corrections' methodology to allocate administrative costs and, if it is acceptable, approve it and modify the memorandum of understanding to include the details of the time study and foster care cost pool.

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0201WI1401 and G0101WI1401): Memorandum of Understanding with DOC = None

DHFS Response and Corrective Action Plan: DOC has procedures in place that were developed with DHFS and the contractor hired to assist with foster care claiming. We have reviewed and approved these procedures. We will ensure that all proper procedures are included in the memorandum of understanding with DOC.

Prior Audit Follow-up

In addition to following up on prior-audit foster care findings, we followed up on findings WI-01-6 through WI-01-8 of our FY 2000-01 single audit report. DHFS has addressed concerns related to Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) program exception reports. However, continued improvement is needed related to reconciliation of expenditure information and to suspension and debarment certifications.

WI-02-14: Reconciliation of Quarterly Report to the Cash Management System

DHFS uses the State's cash management system to receive reimbursement for the federal portion of expenditures related to MA, CHIP, and the State Survey and Certification of Health Care Providers and Suppliers grant (catalog #93.777). Project monitors within DHFS complete required federal financial reports, including the

quarterly CMS-64 financial report for MA, the quarterly CMS-21 financial report for the CHIP grant, and the quarterly CMS-435 financial report for the State Survey grant. These reports summarize the costs DHFS incurred during the quarter for the various projects related to each grant, as well as adjustments to amounts reported in previous quarters. The reports present the cost information and the applicable federal funding percentage for each project.

The project monitors prepare the quarterly financial reports based on information in the DHFS accounting system and reports from the fiscal administrator for the MA and CHIP programs. It is important that the project monitors ensure this information and the information on the State's cash management system are in agreement and consistent with the quarterly financial reports. Ideally, the information from the accounting system and the cash management system would be reconciled before the quarterly reports are submitted to the federal government. However, because of the complexity of MA and various delays in obtaining cost information for certain projects, DHFS project monitors continue to work on the reconciliations after the quarterly reports have been submitted.

The reconciliations may identify errors or omissions that require adjustments to the quarterly reports, which serve as the official "claim" for the federal government's share of the program costs. It is important to complete the reconciliations in a timely manner because, according to federal regulations at 45 CFR 95.7, the federal government will pay the State "only if the State files a claim with [the federal government] for that expenditure within two years after the calendar quarter in which the State agency made the expenditure." The reconciliations may also identify errors or omissions that require adjustments to the cash management system that either draw additional federal funds or return funds to the federal government.

In past audits, we reported that because of turnover in the project monitor position, DHFS had not completed reconciliations between the cash management system and the quarterly financial reports. Our FY 2000-01 audit noted that DHFS had devoted additional resources and given higher priority toward completing the MA reconciliations. However, while some reconciliations had been completed, we recommended that DHFS complete the remaining reconciliation of expenditures reported on the quarterly financial reports to federal reimbursements received through the cash management system (Finding WI-01-7).

In our current audit, we found that DHFS staff have completed the federal fiscal year (FFY) 1999-2000 through FFY 2001-02 State Survey reconciliations. DHFS continues to make progress in identifying the reasons for variances and potential adjustments for several MA administrative cost and benefit projects. However, DHFS staff are not up-to-date in their reconciliations and have not completed the reconciliation of MA administrative costs for FFY 1997-98 through FFY 2001-02 or the reconciliation of MA benefits costs for FFY 1998-99 through FFY 2001-02. DHFS needs to finish identifying the reasons for variances and processing adjustments related to these years. In addition, DHFS staff have not prepared reconciliations for the CHIP grant since it started spending funds during FY 1999-2000 as an expansion of MA. Staff agree that reconciliations should be performed.

☑ Recommendation

We recommend the Wisconsin Department of Health and Family Services ensure it completes in a timely manner the reconciliation of expenditures reported on the quarterly financial reports to federal reimbursements received through the cash management system.

Questioned Costs: State Children's Insurance Program (catalog #93.767, award #s 050205WI5021, 050205WI5R21, 050105WI5021, 050105WI5019, 050105WI5R21, 050005WI5021, 059905WI5021, and 059805WI5021): Reconciliation of Quarterly Report to the Cash Management System = None

Medical Assistance Program (catalog #93.778, award #s 050205WI5028, 050205WI5048, 050105WI5028, 050105WI5048, 050005WI5028, 050005WI5048, 059905WI5028, 059905WI5048, and 059805WI5048): Reconciliation of Quarterly Report to the Cash Management System = None

DHFS Response and Corrective Action Plan: DHFS agrees with the recommendation, and BFS staff will continue to work on completing the MA reconciliations. However, we will need to balance this project with other high-priority projects. This will become increasingly difficult as we face department workforce reductions as a part of the new budget.

Review of WIC Program Exception Reports

Participants in the WIC program are certified and approved for WIC eligibility by local WIC agencies and clinics throughout Wisconsin. The local agencies and clinics issue WIC food instruments that participants redeem for WIC-approved food items at local WIC vendors. Federal regulations require states to reconcile redeemed food instruments to issuance records within 150 days of issuance to participants. To aid in this reconciliation, DHFS sends the monthly Questionable Issuance Report to local WIC agencies and requires them to review the report and send information back to DHFS within 30 days, noting the number of food instruments that were not validly issued.

In our prior audit, we reported that while DHFS was ensuring it receives all Questionable Issuance Reports (Finding WI-01-8), it was not following up on exceptions identified in the reports, such as food instruments redeemed by someone ineligible for the program. Federal officials indicated that DHFS should have a policy in place to review the exceptions and correct potential internal control problems.

DHFS has implemented its corrective action plan. Effective April 20, 2002, a new policy was implemented in which the WIC program operation coordinator will review WIC policies and procedures with WIC agencies in the event there are

exceptions totaling \$100 or more a month of food instruments issued outside of a valid certification period. Our review of the exception reports during FY 2001-02 did not identify any variances exceeding \$100, so no additional contact was necessary.

WI-02-15: Suspension and Debarment Certifications

The federal government requires DHFS to ensure that contractors receiving individual awards of \$100,000 or more, and all subrecipients, certify that the organizations and their principal members are not suspended, debarred, or otherwise ineligible to participate in federal programs. During our prior audit, we reported that while DHFS required subrecipients to complete the required certifications, it did not require the certifications from vendors contracting for \$100,000 or more (Finding WI-01-6). DHFS staff thought the standard language in the Department of Administration purchase order met this requirement. However, that language only indicates that the State has the right to cancel any contract that is presently identified on the list of parties excluded from federal procurement and non-procurement contracts.

In responding to our prior year finding, DHFS staff indicated the Department of Administration should modify the Standard Term for Applicable Law clause in the purchase order to include the suspension and debarment certification. However, DHFS has not worked with the Department of Administration to modify the language in the purchase order. We note that other state agencies have included the necessary certifications in their purchase orders.

Recommendation

We recommend the Wisconsin Department of Health and Family Services require all vendors of federally funded contracts of \$100,000 or more to certify that they are not debarred, suspended, or otherwise ineligible for participation in federal programs.

Questioned Costs: Multiple Grants: Suspension and Debarment Certifications = None

DHFS Response and Corrective Action Plan: To address this certification issue, a new information box has been created in the DHFS purchase order database, and instructions have been issued to all staff involved in creating and issuing purchase orders that the new language must appear on all orders in excess of \$100,000. The language states "Acceptance of this order constitutes certification that neither the vendor nor any of its principals are debarred, suspended, or otherwise excluded from federal procurement or non-procurement programs."

**Wisconsin Department of Health and Family Services
Summary of Findings and Questioned Costs
FY 2001-02**

U.S. Department of Health and Human Services

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-5	93.658	Foster Care—Title IV-E	Case File Documentation and Reviews*	Undetermined
WI-02-6	93.658	Foster Care—Title IV-E	Court Orders*	Undetermined
WI-02-7	93.658	Foster Care—Title IV-E	Unadjusted Status Changes	\$ 0
WI-02-8	93.658	Foster Care—Title IV-E	Licensing and Criminal Records Checks for Foster Care Providers*	0
WI-02-9	93.658	Foster Care—Title IV-E	Licensing and Criminal Records Checks for Group Facilities	0
WI-02-10	93.658	Foster Care—Title IV-E	Reimbursements for Child Care Agencies*	Undetermined
WI-02-11	93.658	Foster Care—Title IV-E	Reconciliation of Reimbursement Reports*	0
WI-02-12	93.658	Foster Care—Title IV-E	Retroactive Claims	Undetermined
WI-02-13	93.658	Foster Care—Title IV-E	Memorandum of Understanding with DOC	0
WI-02-14	93.767	State Children’s Insurance Program	Reconciliation of Quarterly Report to the Cash Management System	0
WI-02-10	93.778	Medical Assistance Program	Reimbursements for Child Care Agencies*	Undetermined
WI-02-14	93.778	Medical Assistance Program	Reconciliation of Quarterly Report to the Cash Management System*	0

Noncompliance Findings Affecting Multiple Grants

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-15		Multiple Grants	Suspension and Debarment Certifications*	\$ 0

*Repeat finding from audit report 02-7.

Inquiries regarding resolution of findings and questioned costs should be directed to the agency contact person listed in Appendix 2 of this report.

Department of Workforce Development ■

The Wisconsin Department of Workforce Development administers programs for unemployment insurance, workers' compensation, equal rights in employment and housing, apprenticeship job training, employment services and training, income maintenance, vocational rehabilitation, and other related programs. DWD also administers Wisconsin Works (W-2), Wisconsin's work-based public assistance program that is designed to help needy families achieve self-sufficiency. Excluding unemployment insurance benefits, DWD disbursed \$2.3 billion during FY 2001-02; direct federal grants financed almost \$1.0 billion of that amount. In addition, during FY 2001-02 the Wisconsin Unemployment Reserve Fund financed \$970.6 million in unemployment insurance benefits and \$92.5 million in federally funded benefits.

As part of our standard audit procedures, we reviewed DWD's internal controls over revenues, expenditures, and the administration of federal financial assistance programs. We tested DWD's compliance with grant requirements for seven type A grants and one type B grant. In addition to the concerns identified in the statewide issues chapter, we have concerns related to the Vocational Rehabilitation program and the Workforce Investment Act Cluster.

We also followed up on findings included in our prior single audit report. DWD has addressed many of our prior audit concerns. However, we continue to have concerns related to access granted to computer data sets and federal reporting for the Workforce Investment Act Cluster. In addition, DWD continues to work toward obtaining federal approval of its public assistance cost allocation plan.

Rehabilitation Services—Vocational Rehabilitation Grants to States

The Division of Vocational Rehabilitation (DVR) within DWD administers Rehabilitation Services—Vocational Rehabilitation Grants to States (catalog #84.126). The Vocational Rehabilitation program assists eligible individuals with disabilities so that they can prepare for and engage in gainful employment. We have two concerns related to program income received from the Social Security Administration (SSA).

Social Security Administration Reimbursements

Federal regulations allow DVR to recover from SSA costs associated with providing vocational rehabilitation services to individuals receiving Social Security—Disability Insurance benefits or Supplemental Security Income benefits. To be eligible for reimbursement, these individuals must participate in the Vocational Rehabilitation program and obtain substantial gainful employment for 9 out of 12 months after receiving rehabilitation services. After these conditions have been met, DVR submits claims to SSA for:

- the direct costs of vocational rehabilitation services, such as tuition and training payments to vocational colleges and specialized equipment purchases;
- DVR's monthly costs to administer and provide counseling and placement services; and
- DVR's cost to track clients for a period up to nine months after the vocational rehabilitation services were provided and the cases were closed.

DVR is required to treat these reimbursements as program income of the Vocational Rehabilitation program and to use the funds to provide additional vocational rehabilitation services. We have two concerns related to this program income. First, DVR did not include all allowable costs in its calculation of the monthly reimbursement rate for FFY 2001-02 claims. Second, DWD did not have sufficient controls to ensure the correct amounts were received from SSA.

Finding WI-02-16: Calculation of Reimbursement Rate

Each federal fiscal year, DVR is required to calculate and submit to SSA for approval a monthly reimbursement rate for providing administrative, counseling, and placement services to clients. In determining the reimbursement amount, SSA uses the rate in effect during the federal fiscal year in which participation in the program ended, regardless of the year in which the claim is approved. SSA multiplies the applicable rate by the number of months of service to determine the amount to pay the State for the costs of providing administrative, counseling, and placement services to Social Security—Disability Insurance and Supplemental Security Income clients.

To calculate the reimbursement rate, SSA instructs DVR to use expenditure and case count information included in the prior federal fiscal year's Program Cost Report submitted to the Rehabilitation Services Administration. DVR is to include expenditures for administration, services provided by the vocational rehabilitation agency to individuals with disabilities, services for groups of individuals with disabilities, and innovation and expansion activities. However, we found that in calculating the FFY 2001-02 rate, DVR excluded \$8,376,697 in expenditures for innovation and expansion activities. Therefore, DVR's reimbursement rate of \$145.48 per month for administrative, counseling, and placement services was miscalculated. Including the \$8,376,697 of innovation and expansion activities expenditures, we calculate a monthly reimbursement rate of \$189.15.

To determine the effect of the rate calculation error, we reviewed claims approved by SSA during December 2002. DVR received \$161,550 in reimbursements for services provided over several years to five clients approved at the \$145.48 rate. Using the \$189.15 rate, we calculate that DVR could have received \$174,607, or \$13,057 more for these five clients.

DVR staff explained that federal officials instructed them to exclude these costs. However, staff could not provide documentation to support this statement. We contacted staff at SSA, who confirmed that these costs are appropriate to include in the calculation.

Recommendation

We recommend the Wisconsin Department of Workforce Development include all allowable expenditures in calculating the reimbursement rate for administrative, counseling, and placement services. In addition, we recommend the Department recalculate reimbursement rates for prior years in which it did not include all allowable costs and amend its claims for reimbursement.

Questioned Costs: Rehabilitation Services—Vocational Rehabilitation Grants to States (catalog #84.126, award #H126A020074F): Calculation of Reimbursement Rate = None

DWD Response and Corrective Action Plan: DWD agrees. DWD will include in future calculations all allowable expenditures. DWD will also recalculate reimbursement rates for all cases that it can identify for prior years in which allowable costs were not included and amend its reimbursement claims, if allowed by SSA.

Finding WI-02-17: Receipt of Reimbursements from SSA

As noted, DVR submits reimbursement claims to SSA for vocational rehabilitation services provided to Social Security—Disability Insurance and Supplemental Security Income clients. Upon approval, SSA provides DVR a report of all claims processed during the month, which includes the approved reimbursement amount for each claim and a summary of the total monthly reimbursement. SSA transfers

funds to the State's working bank and, upon notification from the bank, the Office of the State Treasurer contacts DWD's Bureau of Finance, which credits the funds to the appropriate account on the State's central accounting system.

It is important that DWD have controls in place to ensure that all funds that should be received from SSA are, in fact, received. For example, DWD could compare the amounts recorded on the State's accounting system to the amounts included in the report from SSA. However, DVR does not provide a copy of the SSA report to the Bureau of Finance, and the Bureau of Finance does not notify DVR of the amount received. As a result, DWD has not ensured that SSA has remitted the appropriate amounts. We are not aware of any instance of not receiving the correct amount.

Recommendation

We recommend the Wisconsin Department of Workforce Development implement controls to ensure the appropriate reimbursement amounts are received from the Social Security Administration.

Questioned Costs: Rehabilitation Services—Vocational Rehabilitation Grants to States (catalog #84.126, award #H126A020074F): Receipt of Reimbursements from SSA = None

DWD Response and Corrective Action Plan: DWD agrees. As of February 2003, procedures have been implemented to ensure that the appropriate reimbursement amounts have been received from SSA.

Workforce Investment Act Cluster

The Workforce Investment Act (WIA) Cluster (catalog #17.258/17.259/17.260) was implemented by DWD on July 1, 2000. WIA, which replaced the Job Training Partnership Act (JTPA) Cluster (catalog #17.250 and #17.246), reformed federal job training programs and created a comprehensive system for investing in Wisconsin's workforce. We have concerns related to DWD's performance reporting and a youth activities earmarking requirement.

Finding WI-02-18: Performance Reporting

Annually, DWD is required to submit to the U.S. Department of Labor a performance report and an electronic data file referred to as the WIA Standardized Record Data (WIASRD). The Department of Labor requires the performance report to contain various tables detailing program performance levels, and a comparison of those levels to negotiated performance levels included in the WIA state plan. For example, one table presents the percentage of adult participants who have entered employment within one quarter of completing employment and other training, and a comparison to the percentage goal included in the state plan. WIASRD is an electronic data file that contains detailed information on individual WIA participants, including characteristics, activities, and outcomes, and that supports

the information reported in the performance report. It is important that DWD accurately prepare and document the information included in the performance report because that information is used to determine the State's eligibility for incentive awards. The federal government emphasized its importance and identified in the compliance supplement the critical tables in the performance report and line items in the WIASRD file that must be audited.

In December 2001, DWD submitted the required annual performance report and the WIASRD file for the period July 1, 2000 through June 30, 2001. To prepare the report and electronic file, DWD staff queried various databases containing detailed information on participants. We attempted to review the tables that the federal government identified as critical to ensure DWD accurately prepared them based on the information included in the databases. However, because DWD staff did not have a clear understanding of documentation requirements, they did not retain the results of the queries or other documentation to support the performance information included in the performance report.

We discussed our concerns with DWD, which re-created some of the queries and provided us a detailed listing of participants and other information to support the information in those tables identified by the federal government as critical. We reviewed the detailed listing and found that it was consistent with the information included in the critical tables. Because of the costs involved, we do not believe it practical to re-create the queries to support the remaining tables.

Recommendation

We recommend that for subsequent reporting periods, the Wisconsin Department of Workforce Development maintain documentation to support all information included in the annual performance report.

Questioned Costs: WIA Adult Program (catalog #17.258, award #AA103080050): Performance Reporting = None

WIA Youth Activities (catalog #17.259, award #AA103080050):
Performance Reporting = None

WIA Dislocated Workers (catalog #17.260, award #AA103080050):
Performance Reporting = None

DWD Response and Corrective Action Plan: DWD agrees and has retained the supporting documentation for the annual WIA performance report for the period July 1, 2001 through June 30, 2002, and will retain the support for future reports.

Finding WI-02-19: Youth Activities Earmarking

WIA funds are awarded in three program categories: youth activities, adult activities, and dislocated workers. During FY 2001-02, DWD spent over \$7 million on activities for youth. Federal regulations require that at least 95 percent of the

participants in the youth activities program meet the criteria of disadvantaged low-income youth. DWD subgrants the majority of the youth activities award to 11 local workforce development boards. These boards are required to ensure compliance with this earmarking requirement. During on-site reviews, DWD staff verify that the boards have procedures in place to ensure compliance. However, DWD does not test to verify that, in fact, the boards have met the 95 percent requirement. In addition, while the boards enter participant information into a centralized WIA participant database, DWD has not developed routine queries or reports to determine, based on the information entered, that the requirement was met. Therefore, DWD is not assured that at least 95 percent of the participants were low-income youth.

We discussed our concerns with DWD staff and requested that they provide us with documentation of the percentage of low-income youth in the program. In response, DWD performed queries of the WIA participant database and produced a report on February 14, 2003, of the percentage of low-income youth participating from July 1, 2001 through June 30, 2002. This reports shows that 91.07 percent of youth participants for this period met the criteria of being disadvantaged low-income youth and that 8.93 percent were not low-income. Based on this report, it appears that for the period July 1, 2001 through June 30, 2002, DWD did not comply with federal requirements.

Recommendation

We recommend the Wisconsin Department of Workforce Development:

- *investigate the reasons that for the period July 1, 2001 through June 30, 2002, the State apparently did not comply with the requirement for 95 percent of participants in the youth program to be low-income youth, and work with the federal government to resolve this concern;*
- *ensure during future site reviews that the workforce development boards comply with the low-income requirement; and*
- *develop routine reporting to document the percentage of low-income youth participating in the program and ensure the federal requirements are met.*

Questioned Costs: WIA Youth Activities (catalog #17.259, award #s AA103080050 and AA112850150): Youth Activities Earmarking = Undetermined

DWD Response and Corrective Action Plan: DWD agrees and will take the recommended actions. DWD has already established a standard report and has informed both staff responsible for monitoring and local agencies of its availability.

Prior Audit Follow-up

As a part of our current audit, we followed up on DWD's progress in addressing Findings WI-01-9 through WI-01-19 in our prior single audit report. DWD has addressed some of our concerns. However, we continue to have concerns with federal reporting for WIA and the level of access granted to critical computer data sets. In addition, DWD needs to continue its efforts to receive federal approval for its public assistance cost allocation plan.

Undistributable Support Collections under the Child Support Enforcement Program

The Child Support Enforcement program (catalog #93.563) is administered on a statewide basis by the Bureau of Child Support in DWD's Division of Workforce Solutions. The objectives of the Child Support Enforcement program are to: 1) establish paternity; 2) locate absent parents; 3) enforce child and support obligations owed by noncustodial parents; and 4) collect child and spousal support and make payments to families. The Kids Information Data System (KIDS) receives case information, support collections, and adjustments and determines the amount of support to be distributed to the families or to be held by the State as reimbursement for current or prior public assistance received by the families.

On January 1, 1999, DWD contracted with a private firm to implement a centralized receipt and disbursement system to collect and disburse various support payments, such as child and spousal support. However, the State is not always able to distribute the collections. For example, in some cases support payment checks are generated and mailed to the families, but for unknown reasons the checks are not presented for payment through the banking system. In other cases, KIDS may not have valid addresses for the families and, therefore, does not generate support checks. Federal regulations require that at the time state law considers the funds abandoned, DWD must consider these collections as undistributable and treat them as program income. Program income is used to offset Child Support Enforcement program costs, for which the State generally receives federal reimbursement at a rate of 66.0 percent of program costs.

In our prior audit, we noted that on August 30, 2001, state legislation was enacted to clarify that support checks that have remained uncashed for more than one year are considered abandoned property. DWD reported \$2,147,392 in undistributable collections in its December 31, 2001 quarterly report of collections, and a federal share of \$1,417,279, or 66.0 percent of the total, as program income in the December 31, 2001 quarterly report of expenditures and estimates. However, DWD effectively returned to the federal government only \$990,000, which is \$427,279 less than the federal share of \$1,417,279, because it did not have sufficient expenditure authority on the State's central accounting system. We also noted in our prior report that DWD had not developed and implemented routine procedures for reporting undistributable support collections on the quarterly report of collections and the quarterly report of expenditures and estimates, and for making the necessary accounting entries to use these funds to offset Child Support Enforcement program costs (Finding WI-01-9).

DWD has implemented appropriate corrective actions and established routine procedures to calculate and report undistributable support collections as program income. In addition, on July 8, 2002, DWD reduced the federal government's share of program costs by \$1,058,814, consisting of the remaining \$427,279 for undistributable collections reported as of December 31, 2001, and \$631,535 for the federal share of additional undistributable collections reported for the quarters that ended on March 31, 2002, and June 30, 2002.

We note that in determining the amount of undistributable support collections to report, DWD initially deducted \$100,000 and used these funds to establish a cash reserve that would allow it to make any necessary payments of collections previously reported as undistributable. However, federal rules require DWD to treat the federal share of all undistributable collections as program income and do not provide that the federal share may be used to establish a cash reserve. We discussed our concerns with DWD staff who, in January 2003, processed the necessary accounting transactions to eliminate the reserve and further reduce the federal government's share of program costs by \$66,000, or 66.0 percent of the \$100,000 that had previously been retained.

Workforce Investment Act Cluster

We followed up on findings WI-01-10 and WI-01-11 and found that DWD has taken corrective action related to federal reporting requirements for funds that were carried forward into WIA from JTPA. However, DWD needs to take more care in preparing federal financial reports for the WIA Cluster.

Finding WI-02-20: Earmarking and Federal Reporting

WIA funds are awarded in three program categories: youth activities, adult activities, and dislocated workers. Federal regulations require that DWD earmark certain percentages of these categories for 1) statewide workforce investment activities and administrative costs; 2) rapid response activities; and 3) local area administration. Quarterly, DWD is required to prepare up to six federal financial reports for each program area and each area for which funds are earmarked. These reports present the amounts awarded or earmarked, amounts obligated and expended, and the unobligated balance.

In our prior audit, we reported that DWD had not properly calculated the earmarking levels for the various WIA programs, resulting in errors in the quarterly federal financial reports (Finding WI-01-10). During our current audit, we found DWD had correctly calculated and reported the earmarking levels for the March 2002 quarterly report, which we reviewed. However, we also found that, apparently due to oversight, DWD made a variety of other reporting errors. For example, DWD:

- omitted \$505,111 in expenditures it incurred for statewide workforce investment activities;
- understated by \$255,123 the expenditures incurred by grantees for statewide workforce investment activities because it did not update amounts reported for the previous quarter; and
- overstated by \$10,000 the amounts obligated for the WIA Dislocated Workers program.

We discussed our concerns with DWD staff, who made corrections on the June 2002 quarterly report. However, when reviewing the June 2002 reports for statewide workforce investment activities, we identified a new error in the spreadsheets used to accumulate WIA information. This error caused DWD to underreport expenditures by \$734,627 for statewide workforce investment activities.

Recommendation

We recommend the Wisconsin Department of Workforce Development exercise due care in the preparation of the quarterly reports for the Workforce Investment Act Cluster.

Questioned Costs: WIA Adult Program (catalog #17.258, award #s AA103080050 and AA112850150): Federal Reporting = None

WIA Youth Activities (catalog #17.259, award #s AA103080050 and AA112850150): Federal Reporting = None

WIA Dislocated Workers (catalog #17.260, award #s AA103080050 and AA112850150): Federal Reporting = None

DWD Response and Corrective Action Plan: DWD agrees. The \$734,627 in underreported expenditures in the June 2002 report was corrected in the December 2002 report, submitted in February 2003.

Reporting of Carryover Job Training Partnership Act Cluster Funds

As allowed by federal regulations, upon implementation of WIA on July 1, 2000, DWD transferred a total of \$3,222,207 in available JTPA funds to the WIA program. WIA regulations, including reporting requirements, apply to these transferred funds.

As previously noted, DWD is required to report WIA expenditures in six categories: youth activities; adult activities; dislocated workers; statewide workforce investment activities; rapid response activities; and local area administration. During our prior audit, we reported that DWD did not properly

report expenditures within the WIA categories (Finding WI-01-11). DWD has implemented its corrective action plan, and during our current audit period it reported the JTPA carryover funds within the appropriate WIA categories.

Federal Procurement Rules under the Food Stamp Program

Prior to July 1, 2002, the Division of Workforce Solutions within DWD administered the Food Stamps grant (catalog #10.551), which fully funds the issuance of food stamp benefits, and the State Administrative Matching Grants for the Food Stamp Program (catalog #10.561), which partially reimburses the State for its costs to administer the program.

As a condition of receiving financial assistance under the State Administrative Matching Grants for the Food Stamp Program, DWD was required to follow the Common Rule adopted by the U.S. Department of Agriculture (USDA). As allowed by the Common Rule, DWD followed state procurement guidelines for all purchases charged to the program. However, effective October 1, 2000, USDA amended the Common Rule to require state agencies administering USDA grants to follow two specific federal procurement provisions:

- a state may not award a contract to a firm that was also involved in assisting in the procurement process by, for example, preparing the procurement specifications or developing the contract terms; and
- a state may not show in-state or local geographical preferences when awarding contracts.

In our prior audit, we reported that DWD staff were unaware of the new requirements and had not developed policies and procedures to ensure compliance (Finding WI-01-13). In its corrective action plan, DWD noted a potential conflict between the two federal procurement rules and state law. DWD contacted the federal Food Stamp Administration, which informed DWD that it is required to follow the federal rules. In response, DWD staff reviewed purchases funded by the Food Stamp Program between October 1, 2000 and June 30, 2002 and did not identify any instances of noncompliance with USDA procurement rules.

Effective July 1, 2002, responsibility for administering the Food Stamp Program in Wisconsin was transferred to the Department of Health and Family Services. As a result, DWD no longer receives funding from USDA. We will review DHFS's compliance with USDA procurement requirements during next year's single audit.

Finding WI-02-21: Access to Critical Data Sets and Database Tables

DWD is responsible for maintaining KIDS, the statewide computer system used by state and county child support staff to record collections of support payments and their subsequent distribution. DWD is also responsible for maintaining the Client Assistance for Reemployment and Economic Support (CARES) system, which determines eligibility for income maintenance programs such as TANF, the Food

Stamp Program, and Medical Assistance. It is important that DWD limit access to the data sets and database tables associated with KIDS and CARES to the minimum necessary to allow employees, contractors, and others to perform their job duties. Excess access increases the risk of unauthorized or inappropriate changes to benefits and other information.

In our prior audit, we reported several instances of excessive access to data sets and database tables (Finding WI-01-14). DWD has taken steps to address our concerns. DWD staff have:

- reviewed access to CARES data sets and implemented procedures for an ongoing review of access to critical CARES data sets;
- completed a review of access to KIDS database tables and made progress in reviewing access to KIDS data sets; and
- started a project to review access to log-on identifications that are used to schedule KIDS jobs.

However, we continue to have concerns with access to KIDS data sets and to the log-on identifications that are used to schedule KIDS jobs. For example, five contractors had the ability to change data through a job scheduling log-on identification even though such access does not appear to be needed.

We discussed our concerns with DWD staff, who indicated that they are aware of the access concerns and have been working to review and revise access but do not have a time line for completing the work. Until access is reviewed and limited to that necessary for employees, contractors, and others to complete their job duties, DWD is at risk that unauthorized changes may be made.

Recommendation

We recommend the Wisconsin Department of Workforce Development continue its efforts to review and restrict access to critical KIDS data sets.

Questioned Costs: Child Support Enforcement (catalog #93.563, award #G0104WI4004): Access to Critical Data Sets = None

DWD Response and Corrective Action Plan: DWD agrees. DWD will continue its efforts to review and restrict access to critical KIDS data sets.

Transfers of TANF Funds to the Social Services Block Grant

Under federal regulations, states are allowed to transfer up to 10 percent of their TANF awards to the Social Services Block Grant (SSBG). Wisconsin is allocated \$318,188,410 in TANF funds each federal fiscal year. Of this amount, a portion is allocated to state government, and a portion is allocated to those Indian tribes that elect to operate their own TANF programs.

In our prior audit, we reported that during FFY 1999-2000, an additional tribe elected to operate its own TANF program in Wisconsin. As a result, of the \$318,188,410 in available TANF funds, only \$317,047,587 was allocated to state government. Therefore, the maximum amount that could be transferred to the SSBG for FFY 1999-2000 was \$31,704,759. However, DWD based its 10 percent calculation on \$317,505,180, which had been the amount allocated for state government in prior years, and transferred \$31,750,500 of TANF funding to the SSBG. DHFS, which administers the SSBG in Wisconsin, drew down the full amount transferred. Therefore, the State received \$45,741 in federal funds that it was not entitled to receive (Finding WI-01-15). DWD implemented its corrective action plan and, in August 2002, the State returned to the federal government the excess funds received under the FFY 1999-2000 TANF award.

Rehabilitation Services—Vocational Rehabilitation Grants to States

We followed up on Findings WI-01-16 and WI-01-17 and found that DWD has addressed our prior audit concerns related to this grant.

Cash Management

During our prior audit, we identified a \$55,207 payment received by DWD from the Wisconsin Department of Commerce relating to certain vocational rehabilitation contracts between the two agencies dating back to FY 1994-95. This payment represented the return to DWD of unspent funds for which DWD had previously received federal reimbursement. Upon receipt, DWD appropriately returned \$55,207 to the federal government. However, in our prior audit we questioned the interest earned by the State at the expense of the federal government because the State had custody of these unspent funds for several years (Finding WI-01-16). DWD implemented its corrective action plan and, working with the Wisconsin Department of Administration, included \$13,699 in excess interest earnings in the State's FY 2001-02 annual report required under the Cash Management Improvement Act.

Direct Payments for Client Services

Vocational rehabilitation counselors are responsible for determining eligibility, assessing client needs, developing client rehabilitation plans, and authorizing expenditures for services provided to or on behalf of clients. Vocational Rehabilitation program expenditures should be supported by appropriate documentation.

While DWD generally makes payments for client services to third parties, DWD's policy provides that payments may be made directly to clients as reimbursements or to cover the costs of future purchases or expenses. In our prior three single audits, we reported that DWD did not adequately support direct payments to clients with receipts or other documentation and that additional efforts were needed to ensure these payments were used for the intended purpose (Finding WI-01-17).

DWD is continuing the process of implementing reasonable corrective actions to limit the number of unsupported direct payments to clients. In September 2001, DWD implemented formal written policies to restrict the use of direct payments to situations in which it is impractical to purchase directly from a vendor. As a result, the dollar amount of direct payments declined to \$2.4 million during FY 2001-02, from an estimated \$5.0 million during FY 1999-2000. In addition, in May 2002, DWD centralized the direct payment process, including ensuring supporting documentation is received or justifying why documentation was not received.

During our current audit testing, we randomly selected 27 payments for services provided to clients. Five of the items selected were direct payments. We found adequate supporting documentation for four of these direct payments. Supporting documentation was not obtained for the fifth payment, but based on documentation available in the client file, DWD made reasonable efforts to obtain the documentation. In addition, as required by DWD policy, no subsequent direct payments were made to the client because the client did not provide the necessary documentation.

Access to KIDS Information

As noted, KIDS is a tool used by state and county child support staff to collect child support payments and appropriately distribute the funds. A centralized system such as KIDS is required by the federal Office of Child Support Enforcement to help states establish paternity; locate absent parents; enforce the support obligations owed by absent parents to their children; and obtain child, spousal, and medical support.

In prior audits, we expressed concern that some users have the ability to update virtually every input screen within KIDS. For FY 2000-01, we reported that DWD had taken some steps to reduce the risk of unauthorized changes to KIDS data but needed to continue efforts to limit access to KIDS user input screens (Finding WI-01-18). DWD continues to implement corrective action to address our concerns. DWD has:

- developed guidelines to limit, according to agency size, the number of local child support agency staff granted certain high levels of access;
- required local child support agencies to review the level of access granted to staff members for compliance with the established guidelines; and
- started making programming changes to the KIDS security system to allow DWD to better restrict access to user input screens by staff.

We encourage DWD to continue to place priority on reviewing access to KIDS user input screens and restricting it to the level needed for staff to perform their job duties.

Finding WI-02-22: Public Assistance Cost Allocation Plan

With the transfer of certain federal programs, such as the Food Stamp Cluster and the Child Support Enforcement program, to DWD on July 1, 1996, DWD became a public assistance agency. As a public assistance agency, DWD is required to seek approval for its public assistance cost allocation plan from the U.S. Department of Health and Human Services' Division of Cost Allocation (DCA). The public assistance cost allocation plan includes narrative descriptions of procedures to be used by DWD to distribute administrative costs to various federal and state programs, including public assistance programs. In our prior audit, we reported that DWD had submitted its public assistance cost allocation plan but that it had not obtained DCA approval for its procedures to allocate costs to federal and state programs for FYs 1996-97 through 2000-01 (Finding WI-01-19).

During our current audit, we found that DWD has continued its efforts to gain approval of the cost allocation plan and has submitted all information requested by DCA. DWD has formed the Quality Assurance and Policy Unit, which is responsible for the plan and for communicating with DCA. Currently, DWD has developed and implemented a random moment sampling process to allocate worker effort for the local organization units. In a letter dated February 20, 2003, DCA stated that DWD has made substantial progress in the development and implementation of the random moment sampling process. The letter also requested some additional information and revisions to DWD's plan. DWD is currently addressing these requests. While DWD continues to work with the federal government, it has yet to receive final approval for its cost allocation plan.

We reviewed and tested DWD's cost allocations for FY 2001-02. We found that DWD had allocated costs to federal grants in accordance with its proposed FY 2001-02 plan.

Recommendation

We recommend the Wisconsin Department of Workforce Development continue to negotiate with the federal Division of Cost Allocation to resolve any issues impeding approval of the Department's public assistance cost allocation plan for FY 1996-97 through FY 2001-02.

Questioned Costs: Multiple Grants: Public Assistance Cost Allocation Plan
= None

DWD Response and Corrective Action Plan: DWD agrees and continues negotiations with DCA regarding issues preventing approval of the public assistance cost allocation plan.

**Wisconsin Department of Workforce Development
Summary of Findings and Questioned Costs
FY 2001-02**

U.S. Department of Labor

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-18	17.258	WIA Adult Program	Performance Reporting	\$ 0
WI-02-20	17.258	WIA Adult Program	Federal Reporting*	0
WI-02-18	17.259	WIA Youth Activities	Performance Reporting	0
WI-02-19	17.259	WIA Youth Activities	Youth Activities Earmarking	Undetermined
WI-02-20	17.259	WIA Youth Activities	Federal Reporting*	0
WI-02-18	17.260	WIA Dislocated Workers	Performance Reporting	0
WI-02-20	17.260	WIA Dislocated Workers	Federal Reporting*	0

U.S. Department of Education

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-16	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States	Calculation of Reimbursement Rate	\$ 0
WI-02-17	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States	Receipt of Reimbursements from SSA	0

U.S. Department of Health and Human Services

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-21	93.563	Child Support Enforcement	Access to Critical Data Sets*	\$ 0

Noncompliance Findings Affecting Multiple Grants

<u>Finding Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-22	Multiple Grants	Public Assistance Cost Allocation Plan*	\$ 0

* Repeat finding from audit report 02-7.

Inquiries regarding resolution of findings and questioned costs should be directed to the agency contact person listed in Appendix 2 of this report.

University of Wisconsin System ■

The University of Wisconsin System, which provides postsecondary academic education for more than 159,000 students, consists of 13 campuses, UW Colleges, UW-Extension, and UW System Administration. The 17-member Board of Regents establishes policies to govern UW System and plans for the future of public higher education in Wisconsin. Each of the 13 campuses awards bachelor's and master's degrees; UW-Madison and UW-Milwaukee also confer doctoral degrees. The UW Colleges are 13 two-year branch campuses that offer general education associate degrees and course credits that transfer to other degree-granting universities. UW-Extension, in cooperation with the UW campuses, provides continuing education courses in classrooms and via distance education, as well as wide-ranging public service programs to Wisconsin residents. UW System Administration is the UW President's staff to assist the Board of Regents in establishing policies; reviewing policy administration; and planning the programmatic, financial, and physical development of the system.

UW System, which had operating costs that totaled nearly \$2.9 billion, disbursed \$909.9 million in federal financial assistance during FY 2001-02, including \$368.5 million in direct awards under the research and development cluster and \$435.9 million for the student financial aid cluster. As required by OMB Circular A-133, we tested compliance with laws and regulations related to the federal programs, contracts, and subgrants that UW System administered during the audit period. Our compliance review for FY 2001-02 focused on the research and development cluster and on the student financial aid cluster at five UW campuses. The research and development cluster, which is a major type A program, is defined by OMB Circular A-133 as including all research activities, both basic and applied, and all development activities that are supported at universities, colleges, and nonprofit institutions. "Research" is defined as a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. "Development"

is a systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes. The research and development grants, which were administered by 12 of the 13 UW campuses, as well as by UW Colleges, accounted for 41.2 percent of federal funds disbursed by UW System during FY 2001-02. Of that amount, nearly 95.0 percent was disbursed by UW-Madison. Accordingly, we documented and tested controls used in administering the research and development cluster at UW-Madison and tested compliance with grant requirements for selected research and development grants at UW-Madison.

The student financial aid cluster is defined by OMB Circular A-133 as including those programs of general student assistance in which institutions participate, such as those authorized by Title IV of the Higher Education Act of 1965, as amended. It does not include programs that provide fellowships or similar awards to students on a competitive basis. The student financial aid cluster accounted for 47.9 percent of federal funds disbursed by UW System during FY 2001-02. The student financial aid cluster is a low-risk type A program and, therefore, must be audited at least once every three years. The Legislative Audit Bureau audits the student financial aid cluster at the UW campuses over a three-year cycle. During the FY 2001-02 audit, we audited the student financial aid cluster as a major program at UW-Milwaukee, UW-Oshkosh, UW-Parkside, UW-Superior, and UW-Whitewater. We documented and tested controls used in administering the student financial aid programs and tested compliance with grant requirements for the student financial aid programs at these five campuses.

We also followed up on progress made at all UW campuses on findings included in our prior single audit report. There were no findings or follow-up work to be reported for UW-Milwaukee, UW-Eau Claire, UW-Stevens Point, UW-Superior, or UW Extension; consequently, this report does not include subsections for these components of UW System.

Finally, at the request of the National Endowment for the Humanities, we included the Wisconsin Humanities Council in our FY 2001-02 audit of UW System and audited the Promotion of the Humanities—Federal/State Partnership grant (catalog #45.129) as a major program. The Wisconsin Humanities Council is a nonprofit organization tied to UW System through its relationship with UW-Extension, which is responsible for fiscal and personnel administration of the Humanities Council. We documented and tested controls used in administering the grant and tested federal grant requirements. There were no findings to report and, therefore, this report does not include a subsection for the Humanities Council.

University of Wisconsin-Madison

UW-Madison is the largest UW campus and one of the major research universities in the nation. It provides instruction to 40,900 students seeking undergraduate or graduate degrees and had operating costs totaling \$1.5 billion in FY 2001-02. Federal grant expenditures for FY 2001-02 totaled \$511.5 million, including \$356.3 million for the major research and development cluster and \$120.0 million for the student financial aid cluster.

We gained an understanding of and tested UW-Madison's internal controls used in administering the research and development cluster. We also tested compliance with specific grant requirements for the research and development grants and followed up on our prior audit recommendation regarding the assignment of loans within the student financial aid cluster.

Overall, UW-Madison's internal controls appear adequate to ensure compliance with federal requirements for the research and development cluster. Other than the potential concern identified in the statewide issues chapter, we do not report any new findings. We noted while following up on UW-Madison's efforts to address concerns included in prior single audit reports that appropriate corrective action has been taken to resolve our concern related to loan assignments.

Loan Assignments

Federal regulations for the Perkins Loan Program specify that if a loan is still in default after four years of collection efforts, the institution shall continue to make annual attempts to collect from the borrower until the loan is recovered; write off the account, if under \$200; or assign the account to the U.S. Department of Education. Although federal regulations do not specify how long institutions may keep defaulted loans before assignment, good loan management practices require institutions to identify when collection efforts available to them have been exhausted and more powerful collection efforts are necessary. When defaulted loans are assigned, the U.S. Department of Education is able to use collection methods that are not available to campus staff, such as intercepting federal tax refunds.

In prior audits, we noted that UW-Madison was not assigning defaulted loans to the U.S. Department of Education in a timely manner (Finding WI-01-20). In response to prior audit recommendations, UW-Madison developed criteria for assigning loans and, in FY 1999-2000, identified 62 loans for assignment. However, these loans had not been assigned at the time of our FY 2000-01 audit.

During our current audit, we found that UW-Madison recently addressed our prior audit recommendation by assigning loans to the U.S. Department of Education. In January 2003, UW-Madison submitted 30 defaulted loans, totaling approximately \$91,400, for assignment. UW-Madison staff indicated that additional loan assignments are expected in the future.

University of Wisconsin-Green Bay

UW-Green Bay, which provides instruction to 5,600 students seeking undergraduate or graduate degrees, had operating costs totaling \$62.2 million in FY 2001-02. Federal grant expenditures for that period totaled \$16.4 million, including \$710,000 for the research and development cluster and \$13.8 million for the student financial aid cluster.

During our current audit, we followed up on the efforts of UW-Green Bay to address concerns included in our FY 2000-01 single audit report. We found that UW-Green Bay has adequately implemented our prior audit recommendations regarding cash management, Perkins match, federal reporting, Pell Grant reconciliation, student employee time sheets, and community service jobs.

Cash Management

To meet federal cash management requirements, UW-Green Bay should disburse federal funds as soon as administratively feasible, but no later than three business days following the date federal funds were received. This policy ensures that neither the federal government nor the State earns interest income at the expense of the other.

During our prior audit, we found that UW-Green Bay disbursed \$394,100 in Pell funds and \$71,200 in Supplemental Educational Opportunity Grant (SEOG) funds in January 2001, but federal reimbursement for these costs was not sought or received until June 2001, nearly five months later. As a result, we estimated the State lost potential interest income of \$6,100. We recommended (Finding WI-01-21) that UW-Green Bay develop policies and procedures for requesting federal reimbursement to minimize the time between when the campus incurs an expenditure and when it receives reimbursement.

During our current audit, we noted that UW-Green Bay has implemented adequate cash management procedures. In FY 2001-02, we found that UW-Green Bay requested reimbursement from the federal government in a timely manner and in such a way that neither the federal government nor the State would lose potential interest income.

Perkins Match

UW-Green Bay's Perkins student financial aid account is a revolving fund, which was started with federal Perkins Loan Program funds and a required institutional match. Repayments on loans, new federal Perkins funds, and new required institutional match amounts are deposited to the revolving fund to provide funds for new loans to students. The required institutional match is equal to one-third of the federal Perkins funds received from the U.S. Department of Education. Federal

regulations state that the match amount must be deposited in the Perkins student financial aid account before or at the same time as the federal funds are received. In FY 2000-01, UW-Green Bay received approximately \$63,300 in new federal Perkins funds on August 29, 2000. We found the required institutional match of nearly \$21,100 was not made until May 2001, nine months after the federal funds were received. We recommended (Finding WI-01-22) that UW-Green Bay develop policies and procedures to ensure federal funds were not drawn until the Perkins institutional match was deposited.

During our current audit, we noted that UW-Green Bay has adequately implemented our recommendation. We found that in FY 2001-02, UW-Green Bay deposited its required institutional match of \$3,290 one day prior to drawing its new federal Perkins funds.

Federal Reporting

After each academic year, UW-Green Bay is required to complete the Fiscal Operations Report and Application to Participate (FISAP). The FISAP reports financial activity for the Perkins Loan, SEOG, and the Federal Work-Study (FWS) Program. The report discloses program spending for each academic year and serves as a basis for determining future financial aid awards from the U.S. Department of Education. Therefore, the report must be accurate and properly supported. The Student Financial Aid Handbook developed by the U.S. Department of Education states that institutions must maintain any records necessary to support the data contained in the FISAP for three years after the end of the award year in which the FISAP is submitted.

UW-Madison prepared UW-Green Bay's FISAP before FY 2000-01. Starting with FY 2000-01, UW-Green Bay prepared its own report. However, UW-Green Bay continues to rely on UW-Madison for some FISAP information because UW-Madison handles some central processing functions, such as administering the loan collection system.

During our review of UW-Green Bay's FISAP for FY 2000-01, we found inconsistencies in the amounts reported, and UW-Green Bay staff were unable to provide supporting documentation for portions of the report. We recommended (Finding WI-01-23) that UW-Green Bay develop procedures to standardize preparation of the FISAP and retain documents used in that effort for the required period.

As part of our current audit, we followed up on this prior audit concern. We found that UW-Green Bay has improved its FISAP preparation procedures and currently retains the necessary documentation to support amounts reported to the federal government. UW-Green Bay was able to provide supporting documentation for all amounts on its FY 2001-02 FISAP.

Pell Grant Reconciliation

For the Federal Pell Grant Program, UW-Green Bay calculates individual award amounts, disburses the necessary Pell Grant funds to students, and reports these disbursements to the U.S. Department of Education. To ensure all disbursements are accurately reflected, UW-Green Bay must reconcile the Pell disbursement records within its Financial Aid Office with those maintained by the Controller's Office. It must then complete an annual reconciliation between its Pell disbursement records and the U.S. Department of Education Student Payment Summary report. UW-Green Bay must submit its final Pell Grant summary report and student financial aid report to the Department of Education by September 30 following the end of the academic year.

During our FY 2000-01 audit, we found the UW-Green Bay Financial Aid Office reconciled its records with the campus accounting system in August 2001. However, reconciling adjustments that totaled nearly \$3,600 were not made to the accounting system. After the reconciling adjustments were identified, additional transactions occurred; to fully reconcile these records, new variances needed to be analyzed. In addition, UW-Green Bay had not reconciled its data with the U.S. Department of Education. Therefore, UW-Green Bay staff were unable to determine whether all appropriate funds had been drawn from the federal government or whether funds should be returned. We recommended (Finding WI-01-24) that UW-Green Bay complete its FY 2000-01 Pell Grant reconciliation by June 30, 2002.

As part of our current audit, we found that UW-Green Bay has adequately implemented our recommendation. UW-Green Bay has completed its FY 2000-01 Pell Grant reconciliation and has properly reconciled its Pell Grant disbursement records with U.S. Department of Education data for FY 2001-02.

Student Employee Time Sheets

As part of student financial aid awards, eligible students may earn FWS Program funds by working for qualified organizations such as the university; a federal, state, or local government agency; or a private, nonprofit organization. Federal regulations require the work performed by FWS students to be supported by time sheets documenting actual hours worked. Federal regulations further require time sheets be signed by the students' supervisors to verify the documented hours are accurate.

During our prior audit, UW-Green Bay payroll office staff noted that student time sheets are prepared by student employees and signed by the supervisors. However, they also stated that, at times, student employees had access to completed student time sheets after supervisory approval was given and typically delivered the time sheets to the campus payroll office. Because students with access to time sheets after the supervisory reviews had the opportunity to alter the number of hours worked and therefore receive an incorrect amount of FWS funds, we recommended (Finding WI-01-25) that UW-Green Bay improve its procedures to ensure submitted student time sheets are accurate.

During our current audit, we found that UW-Green Bay has implemented a new timekeeping system, Kronos, in which students electronically enter the number of hours worked. Supervisors electronically approve each student's time sheet, and if a student subsequently changes his or her time sheet, the supervisor must approve the revision. Therefore, the risk associated with students altering their time records after supervisory approval has been significantly reduced.

Community Service Jobs

Federal regulations require each university to spend 7.0 percent of its allocated FWS funds for community service jobs. UW-Green Bay's final allocated amount was \$228,600 for FY 2000-01. To comply with the 7.0 percent requirement, UW-Green Bay needed to incur community service job expenditures of approximately \$16,050. However, UW-Green Bay incurred only \$9,110 in community service job expenditures, or 4.0 percent of its allocated funds, and fell \$6,940 short of meeting FWS requirements. We recommended (Finding WI-01-26) that UW-Green Bay implement procedures to meet the FWS requirement for community service jobs.

During our current audit, we found that UW-Green Bay incurred community service job expenditures of nearly \$32,900 in FY 2001-02. This amount, which is 9.9 percent of the campus's final allocated FWS amount of \$332,165, exceeds the 7.0 percent requirement.

University of Wisconsin-La Crosse

UW-La Crosse, which provides instruction to 9,100 students seeking undergraduate or graduate degrees, had operating costs totaling \$95.3 million in FY 2001-02. Federal grant expenditures for that period totaled \$32.9 million, including \$2.6 million for the research and development cluster and \$27.6 million for the student financial aid cluster.

During our current audit, we followed up on the efforts of UW-La Crosse to address a concern included in our FY 1999-2000 and FY 2000-01 single audit reports. We continue to note a concern related to collection agencies.

Finding WI-02-23: Collection Agencies

Federal regulations for the Perkins Loan Program require collection agencies to return loans to institutions if they do not succeed in converting them to repayment status after 12 months of collection activity. Upon the return of a loan, the institution is required to attempt to collect the loan or to place the loan with a different collection agency for an additional 12-month period. This federal requirement is intended to ensure institutions do not leave defaulted loans at collection agencies for excessive periods of time without any action being taken.

In prior audits, we identified defaulted loans that were not returned to UW-La Crosse after 12 months at a collection agency without any success in making collections. During our FY 1999-2000 audit, we reviewed five defaulted loans that had been referred to a collection agency. We found that two of these loans exceeded the 12-month limitation, with one being at the same collection agency for 19 months and the other for 30 months. In response to a recommendation made after that audit, during our FY 2000-01 audit we found that UW-La Crosse implemented a policy to review loans referred to collection agencies on a quarterly basis. Nevertheless, out of eight loans reviewed during our FY 2000-01 audit, we identified two that exceeded the 12-month limitation, with one being at the same collection agency for 18 months and the other for 17 months. We recommended (Finding WI-01-27) that UW-La Crosse implement procedures to ensure defaulted loans referred to collection agencies are returned in a timely manner.

During our current audit, we again noted that UW-La Crosse did not consistently require collection agencies to return defaulted loans to the campus after 12 months if the loans were not converted to repayment status. While reviewing ten loans in default as of June 30, 2002, we identified three that had been referred to a collection agency. Of these three, one loan had been with the same collection agency for 22 months. In this instance, UW-La Crosse staff had contacted the collection agency by e-mail and granted the agency's requests to maintain the loan beyond the 12-month limitation. However, returning loans after 12 months is a mandated practice not subject to campus discretion.

Recommendation

We continue to recommend the University of Wisconsin-La Crosse identify and request the return of all loans that have been referred to a collection agency for more than 12 months, if collection efforts have been unsuccessful.

Questioned Costs: Perkins Loan Program (catalog #84.038): Collection Agencies = None

UW-La Crosse Response and Corrective Action Plan: The UW-La Crosse Administrator of the Perkins Loan Department has been assigned the task of identifying such loans at the collection agencies on a monthly basis and placing these loans at other collection agencies for additional collection action. The UW-La Crosse Internal Auditor, along with the Assistant Controller, will receive a written report on a monthly basis from the Perkins Loan Department and will review such loans at the collection agencies to ensure that UW-La Crosse's procedures are being followed and that loans are handled appropriately.

University of Wisconsin-Oshkosh

UW-Oshkosh, which provides instruction to 10,900 students seeking undergraduate or graduate degrees, had operating costs totaling \$108.8 million in FY 2001-02. Federal grant expenditures for that period totaled \$31.9 million, including \$383,000 for the research and development cluster and \$23.3 million for the student financial aid cluster.

We documented and tested UW-Oshkosh's internal controls used in administering the student financial aid cluster. In addition, we tested compliance with grant requirements for the student financial aid cluster. Overall, UW-Oshkosh's internal controls appear adequate to ensure compliance with grant requirements for the student financial aid cluster. However, we identified several concerns related to the return of student financial aid funds, including the use of one return calculation for all funding sources, incorrect withdrawal dates, incorrect institutional charges, and withdrawals in which returns were not calculated. We also identified concerns regarding Pell Grant overpayments and federal financial reporting.

Finding WI-02-24: Return of Student Financial Aid Funds

Student financial aid funds are awarded and disbursed to UW-Oshkosh students to offset attendance costs, such as tuition and housing. When a recipient of financial aid withdraws from school, the student may no longer be eligible for the full amount of funds that he or she was originally awarded. Therefore, if the amount disbursed to the student is greater than the amount earned, UW-Oshkosh must calculate the amount to be returned to the student financial aid programs. Both the school and the student may be responsible for returning funds to the programs. During FY 2001-02, UW-Oshkosh calculated returns for 125 students who withdrew from school.

Use of One Return Calculation

Because the student financial aid programs may be funded by the State, the U.S. Department of Education, or the U.S. Department of Health and Human Services, separate return calculations for each funding source must be completed in accordance with each granting agency's guidelines. For example, federal regulations for financial aid programs administered by the U.S. Department of Education, such as the Perkins Loan Program, the Pell Grant Program, and the SEOG program, state the order in which unearned funds should be returned to those programs.

During our audit, we found that UW-Oshkosh calculated return amounts by including financial aid received from all funding sources in the same calculation, using a computer program developed by the U.S. Department of Education. This program was intended only to assist in calculating the amounts to be returned to programs administered by that federal agency. However, UW-Oshkosh included funds that students received from the U.S. Department of Health and Human Services' Nursing Student Loan Program within the Perkins Loan category in the

calculation. UW-Oshkosh also included funds received from state-funded programs, such as the Wisconsin Higher Education Grant Program, in a general category for other Department of Education financial aid programs.

We selected six students who withdrew during FY 2001-02 for review. For these six, we noted that the effect of including all financial aid programs in one calculation would be as follows:

- the state-funded Wisconsin Higher Education Grant Program received \$2,747 less than it should have from UW-Oshkosh under state guidelines, while it received \$422 more than required from the students;
- the federal Pell Grant Program received \$435 more than required from the students; and
- the federal SEOG program received \$477 more than required from the students.

UW-Oshkosh staff indicated that they were unaware of the requirement for separate return calculations and, beginning with the fall 2002 semester, began performing such calculations for state-based aid and aid from the Nursing Student Loan Program. However, UW-Oshkosh has not recalculated FY 2001-02 returns in order to make any necessary adjustments.

Incorrect Withdrawal Date

Another step in calculating amounts to be returned to federal financial aid programs is the determination of student withdrawal dates. Federal regulations require that a student's withdrawal date be the earlier of two dates: the last date of attendance, or the date in which the student notifies the institution of his or her intent to withdraw. If a student obtains a leave of absence but does not return from that leave during a semester, the student's withdrawal date should be the date the student began the leave of absence.

Of the six withdrawing students whose returns we selected for review, one had obtained approval from the UW-Oshkosh's Dean of Students Office to be absent from school starting in September 2001. This student did not return to school and, subsequently, withdrew from UW-Oshkosh on October 18, 2001. When UW-Oshkosh staff calculated the return for this student, they used the later date at which the student withdrew, instead of the last date of her attendance. As a result, we calculated that the Pell Grant Program received \$581 less than required from UW-Oshkosh and \$29 more than required from the student. In addition, the Wisconsin Higher Education Grant Program received \$114 less than required from UW-Oshkosh.

Based on discussion with UW-Oshkosh staff, it appears that a number of UW-Oshkosh offices are involved in the withdrawal process, and some staff were unfamiliar with federal regulations regarding the determination of withdrawal dates.

Incorrect Institutional Charges

An important factor in calculating financial aid returns is whether the aid subsidized institutional or non-institutional charges. To calculate the amount of funds the school must return, UW-Oshkosh multiplies the amount of institutional charges, such as tuition and housing charges, by the percentage of unearned funds, which is the percentage of the enrollment period not completed. To assist in the return calculation, the U.S. Department of Education's program allows users to input default charges. UW-Oshkosh uses full-time tuition and the most common housing as its default amounts. When processing the calculation for a specific withdrawal, however, these default charges should be changed to reflect the student's actual charges if they differ. For example, the tuition amount would need to be changed for part-time students, who have lower tuition amounts.

Of the six students selected for review, we noted that four appeared to have the default charges adjusted where necessary. However, for the two remaining students, the default charges needed to be adjusted but either were not changed or were changed to incorrect amounts. We calculated that:

- UW-Oshkosh returned \$301 less than required to the Pell Grant Program, while the student's return to the Pell Grant Program was \$150 more than required; and
- UW-Oshkosh returned \$460 less than required to the Perkins Loan Program, while the student's return to the Perkins Loan Program was \$460 more than required.

UW-Oshkosh staff indicated that one person enters amounts into the computer program, and keying errors may be made. Currently, UW-Oshkosh procedures do not include having a second person review the return calculation.

Missed Return Calculations

An academic semester at UW-Oshkosh is 17 weeks, including a 14-week period of classes, which the majority of students attend, and 3 weeks of interim classes, which a smaller group of students attends. According to federal regulations, if a student withdraws after 60 percent of the 17-week semester has been completed, the student is considered to have earned 100 percent of the financial aid awarded, and no funds need to be returned by the institution or the student. As a result, once the 60 percent completion point has been reached, UW-Oshkosh does not perform the return calculation.

During our current audit, we noted that when evaluating whether a return calculation was necessary, UW-Oshkosh calculated the 60 percent completion date based only on the 14-week period, instead of the full 17-week semester. As a result, UW-Oshkosh determined that financial aid funds were fully earned before they truly were and, in some cases, return calculations were not performed. For example, for the fall 2001 semester, UW-Oshkosh determined that students earned 100 percent of their financial aid as of October 27, 2001, while based on the full 17-week semester, the actual 60 percent completion date should have been November 11, 2001. Although a return would have been required, UW-Oshkosh did not calculate return amounts for students who withdrew during that two-week period.

During the fall 2001 semester, we identified one student who received federal financial aid and had withdrawn after the 60 percent completion date calculated by UW-Oshkosh but before the actual completion date based on a 17-week semester. For this student, no funds were returned to the financial aid programs, but UW-Oshkosh should have returned \$657 to the Pell Grant Program and \$777 to grant programs administered by the State of Wisconsin.

The four types of return errors identified previously—use of one return calculation, incorrect withdrawal date, incorrect institutional charges, and missed return calculations—were not isolated and, as a result, one error may offset another to some extent when all errors are considered together. The combined net effect of these errors, which is summarized in the table that follows, resulted in UW-Oshkosh students returning \$1,822 more than required according to the financial aid regulations. UW-Oshkosh, on the other hand, did not return \$5,413 that was required. The Pell Grant Program received \$1,039 less than it should have, the state-funded financial aid programs received \$3,105 less than they should have, while SEOG and other U.S. Department of Education programs received a total of \$553 more than required.

Net Effect of Identified Return Errors

	Perkins Loan	Pell Grant	SEOG	Other Federal	State Programs	Total
UW-Oshkosh	\$(460)	\$(1,505)	\$ 0	\$76	\$(3,524)	\$(5,413)
Students	460	466	477	0	419	1,822
Net	0	(1,039)	477	76	(3,105)	(3,591)

☑ Recommendation

We recommend the University of Wisconsin-Oshkosh:

- *review all student withdrawals in FY 2001-02 and FY 2002-03 and, based on federal and state regulations for returns, determine whether additional funds should be remitted to or collected from the U.S. Department of Education, the U.S. Department of Health and Human Services, the State of Wisconsin, and UW-Oshkosh students; and*
- *establish written policies and procedures related to return calculations to ensure compliance with federal and state regulations.*

Questioned Costs: Various Student Financial Aid Programs: Return of Student Financial Aid Funds = \$1,039, Plus an Undetermined Amount

UW-Oshkosh Response and Corrective Action Plan: Regarding the use of one return calculation, UW-Oshkosh believes return calculations were computed properly in FY 2001-02 based on resident knowledge of federal guidelines. Therefore, it does not intend to recalculate. However, based on audit comments and additional federal guideline research, UW-Oshkosh has begun to calculate separate return calculations for each aid category.

Regarding incorrect withdrawal dates, UW-Oshkosh does not allow leaves of absences for medical emergencies. If emergencies arise, students may arrange with each of their instructors to complete the course work. A student who is unable to complete the course work as required may choose to withdraw. UW-Oshkosh believes this single occurrence was an anomaly but agrees that better communication should exist between the departments involved in this process.

Regarding incorrect institutional charges, UW-Oshkosh agrees human error resulted in incorrect institutional charges being used for two student withdrawal calculations in FY 2001-02.

Regarding missed return calculations, UW-Oshkosh believes return calculations are properly computed based on its academic calendar. UW-Oshkosh utilizes a 14-week semester with a 3-week optional, non-standard term. This 3-week optional non-standard term should not be included in the determination of the 60 percent time frame for the total student population. UW-Oshkosh believes it is utilizing the correct payment period as required by federal Title IV regulations.

In summary, UW-Oshkosh has revised its student withdrawal procedures to ensure accurate calculations, where necessary. Written policies and procedures will be further developed to ensure compliance with documented federal and state regulations.

Finding WI-02-25: Pell Grant Overpayments

Federal regulations require that Pell Grant awards be prorated to each student based on the student's enrollment status, such as full-time or half-time. If a student drops a course before it begins or never attends a course, federal regulations require the school to recalculate the student's Pell Grant award based on the lower enrollment status. In addition, if in this case the student then withdraws from school, UW-Oshkosh should use the recalculated Pell Grant award in its calculation of the amount of federal funds that should be returned to financial aid programs.

UW-Oshkosh awards Pell Grants to students based on their enrollment level at the time of disbursement, which may occur prior to the beginning of the semester. However, during our audit, we found that UW-Oshkosh did not have procedures in place to identify students who later dropped a course and should have had their award amounts recalculated at lower enrollment levels. For example, if a student dropped or never attended two courses, his or her enrollment status could change from full-time to part-time, and the amount of Pell Grant funds he or she could receive could decline significantly.

UW-Oshkosh staff agreed to address this matter. Although UW-Oshkosh did not review and adjust awards in FY 2001-02, it implemented procedures in FY 2002-03 to identify Pell Grant overpayments and determine when award adjustments were necessary. Under the new procedures, UW-Oshkosh generates reports from its student information system to identify any students who received Pell Grant awards and later dropped at least one class. Recalculations are then performed for students whose enrollment status changed as a result of dropped courses, and these students are notified that they are required to remit payment to UW-Oshkosh for the overpayment. However, UW-Oshkosh does not recalculate Pell Grant awards for students who completely withdrew from school and does not use that lower award amount in its return calculation. We identified at least one student who dropped a course prior to the first day of class and, as a result, changed her enrollment status from full-time to three-quarter time. We calculated that the Pell Grant overpayment related to this student alone was \$356. When this student later withdrew from school, her return calculation was not based on the lower enrollment status and the lower Pell Grant award.

Recommendation

We recommend the University of Wisconsin-Oshkosh determine the extent of any Pell Grant overpayments that occurred as a result of students dropping classes or withdrawing during FY 2001-02 and FY 2002-03. In addition, we recommend the University of Wisconsin-Oshkosh develop and implement procedures to ensure that Pell Grant awards are adjusted before calculating the amounts that must be returned to federal financial aid programs.

Questioned Costs: Federal Pell Grant Program (catalog #84.063): Pell Grant Overpayments = Undetermined

UW-Oshkosh Response and Corrective Action Plan: For FY 2002-03, UW-Oshkosh began disbursing Pell Grant aid after the end of the 100 percent add/drop period to ensure that eligible Pell Grant recipients receive the correct amount of aid. During the FY 2001-02 audit, it was determined that Pell Grant aid to one student was affected by the use of an incorrect calculation; therefore, UW-Oshkosh believes the results of recalculating Pell Grant aid to all students who withdrew in FY 2001-02 will be diminutive. UW-Oshkosh implemented new procedures beginning with the fall 2002 semester that will eliminate potential Pell miscalculations.

Finding WI-02-26: Federal Reporting

After each academic year, UW-Oshkosh is required to complete the FISAP to report financial activity for the Perkins Loan, SEOG, and FWS financial aid programs. The FISAP is also used as a basis for determining future financial aid awards from the U.S. Department of Education. Therefore, it is critical that the information in the FISAP is both accurate and properly supported. The Student Financial Aid Handbook developed by the U.S. Department of Education states that institutions must maintain any records necessary to support the data contained in the FISAP for three years after the end of the award year in which the FISAP was submitted. The FISAP must be submitted by October 1, and all errors noted by the U.S. Department of Education upon initial submission must be corrected by December 15.

While UW-Oshkosh initially submitted the FISAP in a timely manner, there were errors noted on the edit report which, at the time of our fieldwork in February 2003, had not been corrected. For example, the amounts reported as federal and non-federal disbursements for the FWS Program did not agree with the program's total disbursements. In addition, UW-Oshkosh did not report any cash on hand for the Perkins Loan Program as of October 31, 2002. While this amount would not have been included on UW-Oshkosh's initial submission, since the submission deadline is before October 31, the U.S. Department of Education requires institutions to submit this amount as an edit, which should have been completed before December 15, 2002.

In addition, we noted during our audit that UW-Oshkosh could not provide supporting documentation for some amounts on its FISAP, while other amounts were inconsistent with supporting documentation. For example, for the 2001-02 award year:

- UW-Oshkosh reported approximately \$4.1 million in total Pell Grant expenditures, while the campus' reconciliation between its Pell Grant disbursement records and the federal records indicated the amount was \$3.9 million.
- UW-Oshkosh underreported the total amount expended for State of Wisconsin grants and scholarships by approximately \$207,000 because UW-Oshkosh did not consider all types of grants and scholarships required to be included according to the FISAP instructions.

- UW-Oshkosh reported that, for 20 FWS students employed in community activities, the federal share of their earnings was \$50,000 and the non-federal share of their earnings, paid either by the institution or off-campus employers, was \$0. However, UW-Oshkosh was unable to provide any support for the count of students and, according to UW-Oshkosh's accounting records, the FWS Program funded \$44,800 in community service earnings, while non-federal sources funded \$11,775.
- UW-Oshkosh was unable to provide supporting documentation for its count of two FWS students employed as reading tutors or in family literacy activities, as well as the earnings amount for those students of \$4,000.

Recommendation

We recommend the University of Wisconsin-Oshkosh:

- *submit a corrected FY 2001-02 Fiscal Operations Report and Application to Participate to properly report required information and address items identified on the U.S. Department of Education's edit report;*
- *develop and implement written procedures to ensure that all items on the Fiscal Operations Report and Application to Participate are properly reported; and*
- *maintain supporting documentation for federal reports for a minimum of three years.*

Questioned Costs: Various Student Financial Aid Programs: Federal Reporting = None

UW-Oshkosh Response and Corrective Action Plan: UW-Oshkosh understood that it was in compliance with U.S. Department of Education requirements. However, any necessary written procedures will be further developed and implemented for use in preparing the FISAP. UW-Oshkosh will submit a revised FY 2001-02 FISAP, and in the future, all FISAP supporting documentation will be maintained for three years.

University of Wisconsin-Parkside

UW-Parkside, which provides instruction to 5,000 students seeking undergraduate or graduate degrees, had operating costs totaling \$46.0 million in FY 2001-02. Federal grant expenditures for that period totaled \$15.5 million, including \$414,000 for the research and development cluster and \$13.6 million for the student financial aid cluster.

We documented and tested UW-Parkside's internal controls used in administering the student financial aid cluster. In addition, we tested compliance with grant requirements for the student financial aid cluster. Overall, UW-Parkside's internal controls appear adequate to ensure compliance with grant requirements for the student financial aid cluster. However, while prior audit concerns regarding loan assignments and the return of student financial aid funds have been satisfactorily addressed, we identified a concern related to community service jobs within the FWS Program.

Finding WI-02-27: Community Service Jobs

Federal regulations require each institution to spend 7.0 percent of its allocated FWS funds for community service jobs. UW-Parkside's allocated FWS amount for FY 2001-02 was \$225,273, resulting in the need to incur \$15,769 in community service job expenditures in order to comply with the requirement. However, UW-Parkside incurred only \$13,759 in community service job expenditures, or 6.1 percent of its allocated funds, falling short of the FWS requirement by \$2,010. UW-Parkside requested a waiver of this requirement from the U.S. Department of Education, but the request was denied. We have no questioned costs because this appears to be an instance of noncompliance without an associated questioned cost.

Recommendation

We recommend the University of Wisconsin-Parkside develop and implement procedures to ensure the Federal Work-Study Program requirement for community service jobs is met.

Questioned Costs: Federal Work-Study Program (catalog #84.033):
Community Service Jobs = None

UW-Parkside Response and Corrective Action Plan: UW-Parkside will continue to solicit and advertise work-study positions with off-campus sites and encourage students to consider them. Given UW-Parkside's contacts with the community via the Parkside Volunteer Program, the UW-Parkside FWS Program will likely be able to develop additional sites of specific interest to individual students. In FY 2001-02, a total of over 50 community service jobs were posted for students to view. A mailing to over 200 FWS recipients was sent in August 2002 to remind students to review the job postings. If students had earned all of their awards in FY 2001-02, the total earnings would have been \$20,904 and would have exceeded the 7.0 percent requirement.

Loan Assignments

Federal regulations for the Perkins Loan Program specify that if a loan is still in default after four years of collection efforts, the institution shall continue to make annual attempts to collect from the borrower until the loan is recovered; write off the account, if under \$200; or assign the account to the U.S. Department of Education. Although federal regulations do not specify how long institutions may keep defaulted loans before assignment, good loan management practices require institutions to identify when collection efforts available to them have been exhausted and when more powerful collection efforts are necessary. For example, when defaulted loans are assigned, the U.S. Department of Education is able to use collection methods that are not available to UW-Parkside staff, such as intercepting federal tax refunds.

In prior audits, we found that UW-Parkside did not have procedures in place for identifying which defaulted loans it would assign to the U.S. Department of Education and had not assigned any loans since 1992. Since we identified 18 loans, totaling nearly \$51,600, that had been in default for over ten years, we recommended (Finding WI-01-28) that UW-Parkside develop criteria for the assignment of loans and periodically evaluate and assign defaulted loans to the U.S. Department of Education.

During our current audit, we found that UW-Parkside had satisfactorily implemented our recommendation. UW-Parkside has developed assignment criteria, which indicate that loans in default for more than eight years will be assigned to the U.S. Department of Education, and has reviewed its loans in accordance with the established criteria. In May 2002, UW-Parkside submitted 11 defaulted loans for assignment, and an additional 24 loans were submitted in August 2002.

Return of Student Financial Aid Funds

Student financial aid funds are awarded and disbursed to UW-Parkside students to offset attendance costs, such as tuition and housing. A recipient of financial aid funds who withdraws from school may no longer be eligible for the full amount of funds that he or she was originally awarded. Therefore, if the amount disbursed to the student is greater than the amount earned, UW-Parkside must calculate, in accordance with federal regulations, the amount to be returned to the student financial aid programs. Both the school and the student may be responsible for returning money to the programs. Federal regulations require that funds be returned to the appropriate student financial aid account within 30 days of the date the student officially withdraws or is expelled.

Since our FY 1998-99 single audit, we have noted that the return of student financial aid funds often exceeded the 30-day requirement. During our FY 2000-01 audit, we reviewed five instances involving the return of student financial aid funds and found that one return was made 81 days after the student withdrew from school, while another was made 65 days after withdrawal. In addition, based on further discussions with UW-Parkside staff, we noted that for nine students who withdrew

from school in January or February 2001, UW-Parkside returned a total of nearly \$4,625 to the student financial aid accounts in May 2001. Of these nine returns, the latest was made 106 days after the student withdrew from school. We recommended (Finding WI-01-29) that UW-Parkside ensure returns were made to the federal student financial aid accounts within 30 days.

During our current audit, we found that UW-Parkside has implemented new procedures to help ensure student financial aid funds are returned to the federal accounts in a timely manner. These procedures appear to be effective, as we reviewed ten returns during our FY 2001-02 audit and did not identify any that exceeded the 30-day requirement.

University of Wisconsin-Platteville

UW-Platteville, which provides instruction to 5,500 students seeking undergraduate or graduate degrees, had operating costs totaling \$64.2 million in FY 2001-02. Federal grant expenditures for that period totaled \$17.0 million. Although UW-Platteville does not administer any research and development grants, its student financial aid cluster expenditures totaled \$16.5 million in FY 2001-02.

During our current audit, we followed up on the efforts of UW-Platteville to address concerns included in our FY 2000-01 single audit report. We found that UW-Platteville has adequately implemented our prior audit recommendation regarding Pell Grant Program reconciliation.

Pell Grant Reconciliation

For the Federal Pell Grant Program, UW-Platteville calculates individual award amounts, disburses the necessary Pell Grant funds to the students, and reports these disbursements to the U.S. Department of Education for reimbursement. To ensure all disbursements are accurately reflected on both campus and federal records, UW-Platteville completes an annual reconciliation between its Pell disbursement records and the U.S. Department of Education Student Payment Summary report. UW-Platteville must then submit its final Pell Grant summary report and student financial aid report to the Department of Education by September 30 following the end of the academic year.

During our prior audits, we noted concerns with UW-Platteville's Pell Grant reconciliations. In FY 1999-2000, we found that UW-Platteville had not taken the necessary steps to resolve variances totaling \$1,624 that were identified during the Pell Grant reconciliation. Although these variances were later resolved, at the time of our subsequent audit we found that UW-Platteville had not fully completed its FY 2000-01 Pell Grant reconciliation. Specifically, we noted that UW-Platteville had drawn down \$2,632 in federal funds that it could not support with Pell disbursements. We recommended (Finding WI-01-30) that UW-Platteville complete its Pell Grant reconciliation in a timely manner and provide supporting documentation for the Pell Grant funds it received or return the federal funds to the U.S. Department of Education.

During our current audit, we found that UW-Platteville has satisfactorily implemented our prior audit recommendation. Because UW-Platteville was unable to provide supporting documentation for \$2,632 in federal funds that it received in FY 2000-01, it has returned these funds to the U.S. Department of Education. In addition, we reviewed UW-Platteville's FY 2001-02 Pell Grant reconciliation and found that it was prepared in a timely manner, properly reconciled, and adequately supported.

University of Wisconsin-River Falls

UW-River Falls, which provides instruction to 5,800 students seeking undergraduate or graduate degrees, had operating costs totaling \$60.5 million in FY 2001-02. Federal grant expenditures for that period totaled \$17.0 million, including \$33,000 for the research and development cluster and \$15.0 million for the student financial aid cluster.

During our current audit, we followed up on the efforts of UW-River Falls to address concerns included in our FY 2000-01 single audit report. We found that UW-River Falls has adequately implemented our prior audit recommendations regarding the return of student financial aid funds, post-deferment grace period contacts, in-house collection efforts, and loan disclosures.

Return of Student Financial Aid Funds

Student financial aid funds are awarded and disbursed to UW-River Falls students to offset attendance costs, such as tuition and housing. When a financial aid recipient withdraws from school, the student may no longer be eligible for the full amount of funds that he or she was originally awarded. Therefore, if the amount disbursed to the student is greater than the amount earned, UW-River Falls must calculate, in accordance with federal regulations, the amount to be returned to the student financial aid programs. Both the school and the student may be responsible for returning money to the programs. An important factor in this calculation is whether the financial aid subsidized non-institutional or institutional charges. Under federal regulations, non-institutional charges include charges for the cost of non-returnable equipment; charges for required course materials that the student had a "real and reasonable opportunity" to purchase elsewhere; and charges for discretionary expenses, such as athletic tickets. Institutional charges include all other charges assessed to a student.

To calculate the amount the school must return, UW-River Falls multiplies the amount of institutional charges by the percentage of unearned funds, which is the percentage of the enrollment period not completed. The student is responsible for returning non-institutional charges based on the same percentage. The more that expenses are excludable from the calculation, the less the school is obligated to return to the student financial aid programs. Therefore, federal guidelines require a school to demonstrate that specific charges or costs are non-institutional before it may exclude such charges from the return calculation.

During our prior audit, we found that UW-River Falls had 138 special course fees, ranging from \$3 to \$1,900, and that it excluded all these fees from institutional charges. However, UW-River Falls had not demonstrated on a fee-by-fee basis that each special course fee was, in fact, excludable. We recommended (Finding WI-01-31) that UW-River Falls document that special course fees are excludable from institutional charges on a fee-by-fee basis or include all special course fees as institutional charges.

During our FY 2001-02 audit, we found that UW-River Falls had changed its policy and currently includes all special course fees as institutional charges.

Post-Deferment Grace Period Contacts

Under the Perkins Loan Program, a borrower is entitled to have the repayment of a loan deferred under certain circumstances, such as when particular financial hardship can be demonstrated or when the borrower is enrolled at least half-time in an eligible school. After the deferment period, the borrower enters a six-month grace period. The borrower is not required to make payments on the loan principal during the deferment or grace periods, but federal regulations require schools to contact the borrower two times during the grace period to remind him or her of the responsibility to comply with the loan terms, and to send the borrower pertinent loan information, including the total loan amount outstanding and the date and amount of the next required payment.

During our prior audit, we reviewed 20 UW-River Falls Perkins loans. Of these, eight loans were in deferment at some time during the audit period, with the deferment period for one loan ending during FY 2000-01. This borrower was not contacted during the post-deferment grace period. UW-River Falls staff were not aware of the post-deferment contact requirements and had not programmed their computer system to generate the necessary notification letters. We recommended (Finding WI-01-32) that UW-River Falls ensure the proper borrower contacts are made during the post-deferment grace period.

During our current audit, we found that although no action was taken in FY 2001-02, UW-River Falls has subsequently implemented our recommendation. In July 2002, UW-River Falls staff sent manually prepared letters to all students who were in their post-deferment grace periods, reminding them of the loan terms and the required future payments. In addition, in November 2002, UW-River Falls implemented a new loan management system. This system generates monthly notices to students in their post-deferment grace period, which exceeds the federal requirement that each student be contacted twice during that time period.

In-House Collection Efforts

According to federal regulations for the Perkins Loan Program, if a delinquent borrower does not satisfactorily respond to overdue notices sent at 15, 45, and 60 days past due, the school must either use its own personnel or engage a collection agency for more aggressive collection efforts. The school or the firm it engages may

pursue collection activity for up to 12 months. At that time, if the account has not been converted to regular repayment status and if the borrower does not qualify for deferment, postponement, or cancellation of the loan, the school must make a second effort to collect the account. Federal regulations further require the second effort to be with a collection agency, if in-house staff were previously used. UW-River Falls' policy is to initially use in-house personnel to perform collection procedures.

During our prior audit, we reviewed ten loans in default as of February 28, 2001. Two of these loans had been in default for over two-and-one-half years but had never been placed at a collection agency. UW-River Falls staff indicated that in-house collection procedures on these loans were extended because of the borrowers' oral promises to pay or complete a deferment form. To ensure compliance with federal due-diligence requirements, we recommended (Finding WI-01-33) that UW-River Falls review all loans for which in-house collection efforts had been attempted for more than 12 months without satisfactory borrower responses and ensure that alternate collection strategies, such as collection agencies, were being utilized.

During our FY 2001-02 audit, we reviewed 15 defaulted loans to determine if UW-River Falls sent defaulted loans to collections agencies when in-house efforts were unsuccessful. We found that 14 of these loans were sent to collection agencies in a timely manner. Because the one loan not sent to a collection agency had a remaining balance of less than \$200 and could be written off by UW-River Falls, campus staff indicated that it was not cost-effective to send this loan to a collection agency. Therefore, this prior audit concern appears to be materially resolved.

Loan Disclosures

According to federal regulations, before a school makes its first loan disbursement to a student, the school must provide the student with written information concerning the stated interest rate on the loan, an explanation of when repayment of the loan will begin, an estimate of the monthly repayment amount, and loan consolidation and other financing options.

As part of our FY 2000-01 audit, we reviewed the pre-disbursement disclosures provided to UW-River Falls students and found several required disclosures had not been made. These included a statement that the school would report the amount of the loan to a national credit bureau at least annually, an estimate of the monthly payment amount needed to repay the cumulative balance owed by the student, and loan consolidation or other refinancing options. We recommended (Finding WI-01-34) that UW-River Falls make the required disclosures, in writing, before disbursing federal financial aid funds.

During our current audit, we found that UW-River Falls has materially implemented our recommendation. UW-River Falls has improved its loan disclosures by providing students with written information regarding credit bureau reporting, estimated monthly payments, and loan consolidation.

University of Wisconsin-Stout

UW-Stout, which provides instruction to 7,800 students seeking undergraduate or graduate degrees, had operating costs totaling \$86.6 million in FY 2001-02. Federal grant expenditures for that period totaled \$31.2 million, including \$1.0 million for the research and development cluster and \$27.5 million for the student financial aid cluster.

During our current audit, we followed up on the efforts of UW-Stout to address a concern included in our FY 2000-01 single audit report. We found that UW-Stout has adequately implemented our prior audit recommendation regarding loan assignments.

Loan Assignments

Federal regulations for the Perkins Loan Program specify that if a loan is still in default after four years of collection efforts, the institution shall continue to make annual attempts to collect from the borrower until the loan is recovered; write off the account, if under \$200; or assign the account to the U.S. Department of Education. Although federal regulations do not specify how long institutions may keep defaulted loans before assignment, good loan management practices require institutions to identify when collection efforts available to them have been exhausted and more powerful collection efforts are necessary. For example, when defaulted loans are assigned, the U.S. Department of Education is able to use collection methods that are not available to campus staff, such as intercepting federal tax refunds.

During our FY 2000-01 audit, we determined that UW-Stout had at least 69 loans, totaling approximately \$170,779 in principal, interest, and fees, that could be considered for assignment to the U.S. Department of Education. These loans had been in default for more than ten years without any collections being received. UW-Stout had not assigned any delinquent loans to the U.S. Department of Education since October 1991. We recommended (Finding WI-01-35) that UW-Stout assign defaulted loans to the U.S. Department of Education in a timely manner.

During our current audit, we found that UW-Stout was notified in November 2002 that the U.S. Department of Education had accepted the assignment of 103 defaulted loans totaling approximately \$317,100. UW-Stout has also sent an additional 33 loans, totaling nearly \$86,500, for assignment and is waiting to hear whether they have been accepted by the Department of Education.

University of Wisconsin-Whitewater

UW-Whitewater, which provides instruction to 10,500 students seeking undergraduate or graduate degrees, had operating costs totaling \$99.1 million in FY 2001-02. Federal grant expenditures for that period totaled \$34.1 million, including \$156,000 for the research and development cluster and \$30.8 million for the student financial aid cluster.

We documented and tested UW-Whitewater's internal controls used in administering the student financial aid cluster. In addition, we tested compliance with grant requirements for the student financial aid cluster. Overall, UW-Whitewater's internal controls appear adequate to ensure compliance with grant requirements for the student financial aid cluster. However, we identified a concern related to student eligibility and awards.

Finding WI-02-28: Student Eligibility and Awards

Federal regulations stipulate that after students have completed their second year of school, UW-Whitewater must review their academic progress at least annually and determine if each student has an academic standing consistent with the campus's graduation requirements. UW-Whitewater's graduation policy states that students must have a cumulative grade point average (GPA) of 2.0. If a student fails to earn the minimum GPA after two years of school and a semester of academic probation, he or she may not receive federal financial aid unless an appeal is granted because of injury or illness of the student, death of a family member, or other special circumstances.

During our FY 2001-02 single audit, we found that UW-Whitewater currently requires a minimum GPA of 1.5 to receive federal student financial aid. At the time of our previous audit, UW-Whitewater required a GPA of 2.0 but reduced its standard at the beginning of our audit period. Because this new policy is inconsistent with UW-Whitewater's graduation requirements, and therefore with federal regulations, we requested that UW-Whitewater staff provide us a report detailing all students beyond the second year of school with a cumulative GPA below 2.0. After accounting for students who were either on academic probation or were granted an appeal, we identified 15 individuals who did not meet UW-Whitewater's graduation requirement of a 2.0 GPA but received federal financial aid totaling \$91,166 in FY 2001-02. Because FY 2002-03 awards were also disbursed under this policy, additional awards to ineligible students may have been made.

UW-Whitewater staff believe the school's minimum GPA for receiving federal financial aid is in compliance with federal regulations because an institution may establish a graduated policy in which it allows for lower GPAs for those who are in their first, second, and third years of school, and progresses toward the 2.0 graduation requirement for those in their fourth year. However, this federal provision is not applicable in this instance because UW-Whitewater has not established such a graduated graduation policy.

☑ Recommendation

We recommend the University of Wisconsin-Whitewater develop a satisfactory academic progress policy that is consistent with its graduation requirements. We further recommend that the University of Wisconsin-Whitewater review all student financial aid awards disbursed in FY 2001-02 and FY 2002-03 to determine whether federal financial aid was awarded to students who failed to earn a 2.0 grade point average after their second year of school and reimburse the appropriate federal financial aid programs.

Questioned Costs: Various Student Financial Aid Program: Student Eligibility and Awards = \$91,166

UW-Whitewater Response and Corrective Action Plan: When UW-Whitewater contacted the Department of Education, Region 5, regarding the proposed change in its academic progress policy, an institutional services specialist gave no indication the new policy was inappropriate. UW-Whitewater, therefore, implemented a de facto graduated standard with the condition that the academic probation process evaluates each student's ability to be successful and to achieve the required 2.0 GPA by graduation. Of the 15 students cited by the Legislative Audit Bureau, 12 had attained a 2.0 GPA by the end of the 2001-02 academic year. Of the other students, two had GPAs above 1.90 and the third's GPA was increasing, indicating the evaluation and monitoring process had been successful. UW-Whitewater believes its current standard was established with the best information available at the time of implementation and complies with federal regulations.

University of Wisconsin Colleges

UW Colleges includes 13 two-year campuses located throughout Wisconsin and provides instruction to 12,400 students who are seeking associate degrees or are earning credits to transfer to another university. UW Colleges had operating costs totaling \$65.0 million in FY 2001-02. Federal grant expenditures for that period totaled \$15.4 million, including \$13.8 million for the student financial aid cluster.

During our current audit, we followed up on the efforts of UW Colleges to address a concern included in our FY 2000-01 single audit report. We found that UW Colleges has adequately implemented our recommendation related to cash management.

Cash Management

Before July 2000, UW-Madison requested student financial aid funds from the federal government for UW Colleges; beginning in FY 2000-01, UW Colleges began requesting the federal funds. These federal funds have always been requested from the U.S. Department of Education on a reimbursement basis. Under the

reimbursement method, UW Colleges must disburse the funds to eligible students before requesting funds from the federal government. Although federal regulations allow UW Colleges to carry over funding authority into future years, the disbursements in subsequent years must still be made before reimbursement is sought. Such procedures ensure that neither the State nor the federal government earns interest income at the expense of the other.

During our prior audit, we found that at the end of FY 2000-01, UW Colleges had not spent nearly \$76,600 of its federal student financial aid authority and, apparently misinterpreting federal carry-over regulations, drew down that amount without supporting financial aid disbursements. Although UW Colleges made the financial aid disbursements to support the receipt of the \$76,600 in federal funds in FY 2001-02, its receipt of those funds before disbursements resulted in lost interest income for the federal government. We recommended (Finding WI-01-36) that UW Colleges develop policies and procedures for requesting federal funds to ensure disbursements are made before federal funds are received.

During our current audit, we found that UW Colleges has adequately implemented our previous recommendation. UW Colleges developed procedures to review its cash balance every two weeks and to request reimbursement at that time, if disbursements exceed the federal funds received to date. We found that UW Colleges' FY 2001-02 requests for federal funds were properly supported by student financial aid disbursements.

University of Wisconsin System Administration

UW System Administration is the UW President's staff to assist the Board of Regents in establishing policies; reviewing policy administration; and planning the programmatic, financial, and physical development of the university system. UW System Administration had operating costs totaling \$36.5 million in FY 2001-02; federal grant expenditures for that period totaled \$1.3 million.

In prior audits, we noted that a concern involving post-deferment grace period contacts likely involved several UW campuses and their contracts with University Accounting Services (UAS) for Perkins Loan Program collection activities. Our concerns in this area were communicated to UW System Administration, which is responsible for the overall monitoring of the UAS contract. As part of our current audit, we noted that this issue appears to have been satisfactorily resolved by UW System Administration.

Post-Deferment Grace Period Contacts

Under the Perkins Loan Program, a borrower is entitled to have the repayment of a loan deferred under certain circumstances, such as when particular financial hardship can be demonstrated or when the borrower is enrolled at least half-time in an eligible school. During the deferment period, the borrower is not required to make payments on the loan principal. After the deferment period, the borrower enters a six-month grace period, during which time federal regulations require institutions to contact the borrower two times to remind the borrower of his or her responsibility to comply with the loan terms and send the borrower information, including the total loan amount outstanding, and the date and amount of the next required payment. Several UW campuses have contracted with UAS to perform their Perkins Loan Program billings and other activities, such as making grace period contacts.

During our FY 1999-2000 audit at UW-La Crosse, we reviewed 20 Perkins loans and found that two borrowers were not contacted during their post-deferment grace periods. At that time, UAS indicated that its customer representatives needed to flag the account to receive the appropriate correspondence but were not doing so. UAS further indicated that it later reviewed this process with its representatives and believed procedures were in place to ensure compliance.

As part of our FY 2000-01 audit, we reviewed records for five borrowers whose deferment periods had ended and found one borrower was not contacted during the post-deferment grace period. Since the deferment period for this borrower ended after UAS provided assurance as to its compliance, it appeared UAS was still not properly identifying all loans that needed post-deferment period contacts. Therefore, because several campuses use UAS for some loan collection purpose, we recommended (Finding WI-01-37) that UW System Administration monitor and work with UAS to ensure that the proper borrower contacts are made during the post-deferment grace period.

During our current audit, UW System Administration staff noted that they had corresponded and met with UAS staff, at which time this concern was discussed. During the FY 2001-02 audit, we audited the student financial aid cluster as a major program at five campuses—UW-Milwaukee, UW-Oshkosh, UW-Parkside, UW-Superior, and UW-Whitewater— each of which contracts with UAS. At each of these campuses, we selected borrowers whose deferment periods had ended and found that all borrowers were contacted at least twice during the post-deferment grace period.

**University of Wisconsin System
Summary of Findings and Questioned Costs
FY 2001-02**

U.S. Department of Education

University of Wisconsin-La Crosse

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-23	84.038	Perkins Loan Program	Collection Agencies*	\$ 0

University of Wisconsin-Oshkosh

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-25	84.063	Federal Pell Grant Program	Pell Grant Overpayments	Undetermined
WI-02-24		Various Student Financial Aid Programs	Return of Student Financial Aid Funds	\$ 1,039 Plus an Undetermined Amount
WI-02-26		Various Student Financial Aid Programs	Federal Reporting	0

University of Wisconsin-Parkside

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-27	84.033	Federal Work-Study Program	Community Service Jobs	\$ 0

University of Wisconsin-Whitewater

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-28		Various Student Financial Aid Programs	Student Eligibility and Awards	\$ 91,166

*Repeat finding from audit report 02-7.

Inquiries regarding resolution of findings and questioned costs should be directed to the contact person listed in Appendix 3 of this report.

Department of Transportation ■

The Wisconsin Department of Transportation is responsible for providing leadership in the development and operation of a safe and efficient transportation system for the State of Wisconsin. DOT administers both state and federal transportation programs, including those affecting highways, bridges, airports, harbors, and railroads. DOT disbursed \$2.0 billion during FY 2001-02; direct federal grants financed \$677.5 million of that amount.

As part of our standard audit procedures, we reviewed DOT's internal controls over revenues, expenditures, and the administration of federal financial assistance programs. We tested compliance with grant requirements for the Highway Planning and Construction grant (catalog #20.205) and the Airport Improvement Program grant (catalog #20.106), which are type A major grant programs. Overall, DOT's internal controls are adequate and the agency complied with the grant requirements for the major programs. We do, however, have continued concerns with highway construction materials testing.

Finding WI-02-29: Materials Testing

DOT uses a number of different types of materials, such as asphalt pavement, concrete pavement, and coated high-strength bar steel reinforcements, in projects funded under the Highway Planning and Construction grant. Each type of material must meet minimum specifications. Under 23 CFR 637.207, the Federal Highway Administration requires the State to have a "quality acceptance program" to ensure highway project materials meet minimum specifications. For example, for every 50,000 pounds of coated high-strength bar steel reinforcements used in a project, the State is required to test for certain attributes, such as the strength of the bar.

Quality-control sampling and testing completed by vendors and contractors may be used as part of the State's quality acceptance program, provided the State validates the quality of the material through its own sampling and verification testing. This verification testing is to be performed on samples that are taken independently of the quality-control samples taken by the vendors and contractors.

In our FY 1999-2000 audit (report 01-8), we reported that DOT performed only 83 of the required 107 verification tests for the 12 highway projects we reviewed. In our FY 2000-01 audit (report 02-7), we noted that DOT was taking steps to ensure all required testing was performed, including communicating with district personnel the importance of complying with verification testing requirements. In addition, in part to identify significant noncompliance with testing requirements, DOT developed a formal, written policy to review 5.0 percent of each district's projects for compliance with testing requirements.

During our current audit, we found that DOT was in general compliance with verification testing requirements. However, we found instances in which DOT did not perform all of the tests it was required to perform. For example, DOT was required to perform 118 tests for the 12 projects that we reviewed, but it performed only 108. The exceptions were for three projects. For two of these projects, DOT was required to perform 19 tests. However, only 16 tests were performed because of staff misunderstanding or because more materials than expected were delivered. Noncompliance with testing requirements was significantly greater for the third of these projects. DOT was required to perform 16 tests but performed only 9, or 56.3 percent. As a result, DOT's assurance that the material used in this project met the minimum federal specifications is significantly reduced.

We also note that DOT has not implemented its prior audit corrective action plan to review 5.0 percent of each district's projects for compliance with testing requirements. Apparently because of other priorities, DOT has not reviewed any districts for calendar years 2001 or 2002. Therefore, DOT central staff are not assured district personnel understand and are complying with testing requirements.

Recommendation

We recommend the Wisconsin Department of Transportation follow the policies and procedures included in the Construction and Materials Manual related to quality control and acceptance of construction project materials. We also suggest that if other priorities prevent central staff from following DOT policy and reviewing 5.0 percent of district projects for compliance with testing requirements, other steps be taken to identify significant noncompliance with requirements. For example, DOT central staff could review district compliance over a three-year period, rather than annually.

Questioned Costs: Highway Planning and Construction (catalog #20.205):
Materials Testing = None

DOT Response and Corrective Action Plan: The Bureau of Highway Construction’s Quality Management Section agrees with the audit recommendation; however, we recognize that our current policy of reviewing 5.0 percent of district projects for compliance with testing requirements is unrealistic given the present atmosphere of reduced staffing and an increasing construction program. We plan to adopt a revised policy, reducing our reviews to 5.0 percent for one-third of the districts each year and cycling through our eight districts over a three-year period. In addition, we plan to improve the efficiency of our review efforts by focusing on those items, such as asphalt, steel, or concrete, with the most serious consequences if noncompliant materials were used in error. If deficiencies are found in these major critical items, we will complete further reviews for possible deficiencies.

**Wisconsin Department of Transportation
Summary of Findings and Questioned Costs
FY 2001-02**

U.S. Department of Transportation

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-29	20.205	Highway Planning and Construction	Materials Testing	\$ 0

Inquiries regarding resolution of findings and questioned costs should be directed to the agency contact person listed in Appendix 2 of this report.



Department of Public Instruction ■

The Wisconsin Department of Public Instruction is responsible for providing direction for public elementary and secondary education in Wisconsin and for ensuring access to public library services to all state citizens. DPI disbursed \$5.1 billion during FY 2001-02; federal grants to the State financed \$454.5 million of that amount. In addition, DPI distributed \$16.8 million in food products during the year under a federal commodity distribution program.

As part of our standard audit procedures, we reviewed DPI's internal controls over revenues, expenditures, and the administration of federal financial assistance programs. We tested its compliance with grant requirements for the Title I Grants to Local Educational Agencies (catalog #84.010) and the Special Education Cluster (catalog #84.027 and #84.173), both type A programs, and the Comprehensive School Reform Demonstration grant (catalog #84.332), a type B program. Overall, DPI has appropriate procedures to administer its federal grant programs. Other than the concerns identified in the statewide issues chapter, we do not report any new findings.

As a part of our current audit, we followed up on DPI's progress in addressing findings WI-01-38 through WI-01-41 of our prior single audit report. DPI has taken steps to address several of our concerns; however, it has not fully implemented corrective action related to controls over preparation of the annual performance report for the Vocational Education—Basic Grants to States program (catalog #84.048).

Finding WI-02-30: Vocational Education Performance Reporting

DPI receives federal funds under the Vocational Education—Basic Grants to States program to support vocational education programs at the secondary level. Federal regulations require states to establish performance measures in areas called “core indicators.” These include items such as student attainment of academic and vocational skills and student placement and retention in employment. In its state plan, Wisconsin has established levels of performance, expressed as percentages, for each of the core indicators.

Annually, Wisconsin submits the Annual Performance Report that contains statistical information on the various core indicators. It is important to accurately report the core indicators because the U.S. Department of Education could impose sanctions if a state consistently fails to meet its performance level goals. In addition, if a state consistently exceeds its performance level goals, it may be eligible to receive an incentive grant.

During our prior audit, we recommended DPI improve internal controls over the process for completing the Annual Performance Report (Finding WI-01-39). Specifically, we recommended improvement in three areas: separation of duties related to preparation of the Annual Performance Report, adequate backups and cross-training of staff, and record retention of the source data used to prepare the report. DPI has taken some corrective actions and developed written procedures for preparation of the Annual Performance Report, cross-trained staff, and revised its record retention rules. However, we continue to have concerns with separation of report preparation duties.

DPI uses the Vocational Education Enrollment Reporting System (VEERS) to collect information on the core indicators from each school district and to prepare the Annual Performance Report. The VEERS computer programmer continues to be responsible for the entire process of preparing the report, including performing edit checks of the data received from the schools, transferring the data into the database used to prepare the report, and reviewing the final report sent to the federal government. While staff indicate any changes to the data would only be made by the schools, without proper separation of duties the VEERS programmer has access and could make changes to the data, resulting in misstatements in the Annual Performance Report.

DPI staff indicate that separating the duties for preparation of the report would be inefficient. A compensating control would be to allow school districts to verify the information that pertains to them. For example, as part of its current process, DPI provides each school district with a summary performance report based on the same data provided by the school district and included in the Annual Performance Report. DPI could instruct schools to notify their VEERS liaison if they identify errors or otherwise disagree with the information in the summary report.

☑ Recommendation

We recommend the Wisconsin Department of Public Instruction implement controls that will ensure the accuracy of data included in the Annual Performance Report.

Questioned Costs: Vocational Education—Basic Grants to States (catalog #84.048, award #V048A010049): Performance Reporting = None

DPI Response and Corrective Action Plan: DPI agrees with this finding. The Career and Technical Education Team will add a statement to future District Profile Reports. The statement will be similar to the following: The district should contact its CPA consultant liaison if it identifies errors or disagrees with the data presented in the District Profile Reports.

Eligibility Determination Under the School Breakfast Program

DPI administers the School Breakfast Program (catalog #10.553), which is a federally assisted meal program operating in schools and institutions throughout Wisconsin. The USDA Food and Nutrition Service sets the rates at which schools are reimbursed for breakfasts served to children who receive free, reduced-price, or paid meals. In addition, the Food and Nutrition Service provides an additional \$0.21 per breakfast served, not to exceed actual net costs, for schools determined to be in severe need as defined by the federal regulations. DPI determines if a school is eligible for the additional severe-need reimbursement.

During our prior audit, we noted three concerns with DPI's administration of the severe-need portion of the School Breakfast Program:

- DPI misinterpreted the federal rules and considered the breakfast costs of the school district as a whole, instead of the costs of the individual schools, in determining eligibility for the program;
- DPI allowed schools to participate in the severe-need program even if they had not applied to participate in the program; and
- DPI did not determine at the end of each school year whether severe-need payments exceeded the actual net costs of serving breakfasts and whether it was necessary to seek recovery of any excess payments.

We recommended that DPI determine eligibility in accordance with the federal regulations, consider for approval only those schools that submit applications and provide the required information to determine eligibility, and review participating schools' breakfast costs at the end of the year to determine whether any recovery of excess payments was necessary (Finding WI-01-38). Further, we questioned \$29,815 in excess severe-need payments and recommended DPI return these funds to the federal government.

DPI has taken corrective action related to this finding. In spring 2002, DPI adjusted the financial status reports for award years 1999-2000 and 2000-01 to effectively return the \$29,815 in prior-audit questioned costs to the federal government. We reviewed the FY 2001-02 applications for the severe-need program and found that DPI had appropriately applied the federal regulations in considering participation in the program. Further, DPI considered only schools that submitted applications, and all schools that were approved appeared to meet the federal regulations. DPI is in the process of completing its review of final school breakfast costs for the 2001-02 school year to determine if any recovery of excess payments is necessary.

Access to the Food and Nutrition System

DPI uses the Food and Nutrition System (FNS) to administer \$125.7 million in federal grants received from USDA. Strong access controls are necessary to ensure that unauthorized additions, changes, or deletions are not made to contracts, food inventory counts, invoices, account balances, reimbursement rates, and meal/milk counts recorded in FNS.

During our prior audit, we reported inappropriate access to FNS and noted that DPI did not have a policy in place to periodically review access to FNS to ensure it is limited to what employees need to perform their job duties (Finding WI-01-40). DPI has satisfactorily addressed this finding. DPI has removed the conflicting access and implemented procedures to annually review FNS access to ensure it is appropriate.

Cross-Training Staff

To ensure tasks can be efficiently completed in the event of an employee's absence, it is important to cross-train staff, assign backups to key staff, and maintain detailed written procedures for key job duties. In our prior audit, we noted concerns in this area related to the School Management Services team, which administers various USDA grants (Finding WI 01-41). DPI has taken appropriate corrective action by assigning backups; cross-training staff for key financial positions; and preparing written procedures for some of the key financial duties, including the voucher payment process and completion of the federal meal participants report. Staff informed us they plan to prepare written procedures for the Summer Food Program, but they have yet to do so because the procedures may change in the near future.

**Wisconsin Department of Public Instruction
Summary of Findings and Questioned Costs
FY 2001-02**

U.S. Department of Education

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-30	84.048	Vocational Education—Basic Grants to States	Performance Reporting*	\$ 0

*Repeat finding from audit report 02-7.

Inquiries regarding resolution of findings and questioned costs should be directed to the agency contact person listed in Appendix 2 of this report.

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Department of Administration ■

The Wisconsin Department of Administration provides support services to other state agencies; coordinates housing, energy, and coastal management; and performs other functions prescribed by law. DOA is also responsible for providing the Governor with fiscal management information and the policy alternatives required for preparation of Wisconsin's biennial budget. DOA disbursed \$348.1 million during FY 2001-02; federal grants to the State financed \$127.7 million of that amount.

As part of our standard audit procedures, we reviewed DOA's internal controls related to revenues, expenditures, and the administration of federal grant programs. We tested its compliance with grant requirements for the Low-Income Home Energy Assistance grant (catalog #93.568), a type A program, and the Juvenile Accountability Incentive Block Grants (JAIBG) program (catalog #16.523), a type B program. We also followed up on the progress DOA made in addressing Findings WI-01-42 and WI-01-43 of our prior single audit report.

Overall, DOA's internal controls are adequate. In addition to the concerns identified in the statewide issues chapter, we identified concerns with the administration of the JAIBG program, and we continue to note concerns with DOA's procedures for reviewing annual progress reports for the Supporting Housing Program (SHP).

Juvenile Accountability Incentive Block Grants

The JAIBG program was established by the U.S. Department of Justice's Office of Juvenile Justice Delinquency Prevention in FFY 1997-98. Wisconsin's Office of Justice Assistance (OJA), which is attached to DOA for administrative purposes,

administers the JAIBG program, which provides funds to develop and support programs that hold juvenile offenders accountable for their actions in an effort to reduce future crime. The federal government directs OJA to award a portion of the grant to specific local governments; however, the State determines the distribution of the remaining award. Unlike most other grants, the federal government provides advanced funding for the JAIBG program and requires that interest earnings be used in a manner consistent with program objectives. During FY 2001-02, OJA expended \$5.0 million under JAIBG, of which approximately \$4.5 million was subgranted to state agencies and local governments.

We identified several federal noncompliance issues related to the JAIBG program, including the need for more involvement by the Governor's Juvenile Justice Commission in overseeing the program, the allowability of expenditures charged to the program, time and effort reporting, earmarking requirements, and financial reporting. In total, we question \$149,784 in costs charged to the JAIBG program during FY 2001-02.

Finding WI-02-31: Involvement of the Commission

As provided by federal regulations, the State has designated the Governor's Juvenile Justice Commission as the oversight body for the JAIBG program. The Commission, which includes prosecutors and members of law enforcement, juvenile courts, schools, businesses, and nonprofit organizations, is required to develop an annual coordinated enforcement plan for use of the JAIBG funding based on an analysis of juvenile justice system needs. In addition, according to staff in the federal Office of Juvenile Justice Delinquency Prevention, the Commission should be involved in awarding all JAIBG funds, including interest earnings. For example, the Commission could review and approve applications, or it could provide the guidelines for the awards and delegate the review of applications to OJA staff.

We have two concerns with the Commission's oversight of the JAIBG program. First, the Commission did not develop or approve the required annual coordinated enforcement plans. While we note discussions at its June 15, 1999, meeting related to how a portion of the FFY 1997-98 award would be spent, the Commission had not approved a coordinated enforcement plan that covered all aspects of the JAIBG program. OJA did not submit the coordinated enforcement plan until October 2001, and only after a May 2001 site visit from the U.S. Department of Justice formally instructed OJA to submit the required plan. The plan OJA submitted focused only on how FFY 1997-98 funding was allocated and provided limited information on how the assessment of juvenile justice needs was determined. No subsequent plans have been submitted.

Second, the Commission has only recently been involved in approving any JAIBG awards. In contrast, for the smaller Juvenile Justice and Delinquency Prevention grant, the Commission's role included reviewing award proposals, attending oral presentations made by applicants, and approving awards based on its review.

During FY 2001-02, the Commission began approving JAIBG applications for approximately 80 percent of the non-direct portion of the grant and 20 percent of the funding reserved for state juvenile justice initiatives. However, the Commission was not involved in awarding interest funds or in determining priorities for the majority of the portion reserved for state juvenile justice initiatives, and it had not formally delegated this responsibility to OJA staff.

OJA staff indicate that they had not initially formalized the Commission's role with the JAIBG program because they were uncertain whether program funding would continue. However, OJA's failure to inform the Commission of its responsibility has caused the State to be in noncompliance with the JAIBG guidelines. Furthermore, without the appropriate involvement of the Commission, OJA was provided significant discretion in awarding a large amount of new federal funding, and federal funds were in some instances used for purposes not consistent with the JAIBG program, as discussed in Finding WI-02-32.

Recommendation

We recommend the Wisconsin Governor's Juvenile Justice Commission:

- *develop the required annual coordinated enforcement plans; and*
- *approve all Juvenile Accountability Incentive Block Grants awards or, at a minimum, establish guidelines and priorities for awarding funding.*

Questioned Costs: Juvenile Accountability Incentive Block Grants (catalog #16.523, award #s 1999-JB-VX-0055 and 2000-JB-VX-0055):
Involvement of the Commission = None

OJA Response and Corrective Action Plan: On June 15, 1999, the Commission was notified of the JAIBG funding that would be administered by OJA and approved the first JAIBG plan. Due to the uncertain nature of whether the funds would be available beyond the first year, the Commission chose to keep its activity in the program to a minimal level. OJA continues to make routine updates to the Commission on the status of the JAIBG program.

While OJA believes there has been nominally adequate involvement of the Governor's Juvenile Justice Commission as directed by the JAIBG Guidance Manual, it recognizes the need to strengthen the level of planning that goes into the JAIBG plan. The Commission, once reconstituted by the new Governor, will play a more active role in developing the coordinated enforcement plans and will establish clear guidelines and priorities.

Although there is no federal requirement or guidance related to the Commission's involvement in approving JAIBG awards or establishing guidelines and priorities for awarding funds, the Commission now reviews grant awards and has established guidelines and priorities for the distribution of JAIBG funds, and it will continue to do so in the future. Further, the Commission now reviews the annual coordinated enforcement plan and makes recommendations to the Governor on the use of the non-direct JAIBG resources. In addition, the Commission has incorporated planning for the JAIBG program into the multi-year plan required under the Juvenile Justice and Delinquency Prevention Act.

Finding WI-02-32: Allowable Costs and Activities

Federal regulations designate that funding under the JAIBG program is to be spent in 12 broadly defined areas. Allowable expenditures include costs to construct juvenile correctional facilities, to hire additional prosecutors, and to develop programs that provide alternatives to incarceration for first-time juvenile offenders. In addition, federal guidelines allow states to spend up to 10 percent of their annual federal award for administration. In our review of grant awards and administrative expenditures, we identified expenditures that do not appear to be consistent with program guidelines. In total, we question \$149,784 charged to the JAIBG program during FY 2001-02, including \$102,109 in grant expenditures and \$47,675 in administrative expenditures.

Grant Awards

It would be expected that the Office would include documentation in JAIBG award files to demonstrate that grant awards fully met the requirements of the program. For example, the Office should include documentation that the awards are allowable under JAIBG requirements and are used to hold juvenile offenders accountable. In our review of JAIBG program awards made to state agencies and localities, we questioned \$152,628 in awards because they were not consistent with program guidelines or lacked documentation to support the allowability of the award. As shown in the table that follows, we question \$102,109 in expenditures that were incurred during FY 2001-02 related to these awards.

**Juvenile Accountability Incentive Block Grants
Questioned Awards**

Recipient	Use	Award Amount	Expended in FY 2001-02
Waukesha County	Defibrillators	\$ 15,000	\$ 14,826
Fox Valley Technical College	Evaluation projects	66,755	16,688
Waupun Correctional Facility	Training equipment	10,873	10,595
City of Clintonville	At-risk program	20,000	20,000
Brown County	At-risk program	25,000	25,000
City of Sparta	At-risk program	15,000	15,000
Total		\$152,628	\$102,109

We question these six awards because they were used for activities unrelated or not directly related to the program's objectives, or because they were used for juvenile crime prevention rather than for juveniles who have already been in contact with the criminal justice system, as is required. Specifically:

- \$15,000 awarded to Waukesha County to purchase defibrillators for three of its high schools had no direct connection to juvenile offenders;
- \$66,755 awarded to Fox Valley Technical College was used to support one evaluation project for the JAIBG program but was also used to evaluate programs other than JAIBG;
- \$10,873 awarded to the adult correctional facility in Waupun to support the purchase of equipment, including lap-top computers, projectors, a scanner, a digital camera, and a video recorder to assist facility staff in training school personnel about gang activities, had no direct tie to juvenile offenders; and
- program materials suggest that \$20,000 awarded to the City of Clintonville, \$25,000 awarded to Brown County, and \$15,000 awarded to the City of Sparta to support at-risk programs were to be used for prevention among at-risk groups rather than limited to programs for juvenile offenders.

For all of the grant awards we question, except the award to Fox Valley Technical College, OJA maintains the awards were allowable based on its interpretation of area 11, one of the 12 purpose areas of the grant. Purpose area 11 allows funding for “establishing and maintaining accountability-based programs that work with juvenile offenders who are referred by law enforcement agencies, or that are designed in cooperation with law enforcement officials, to protect students and school personnel from drug, gang, and youth violence.” We acknowledge that accountability-based programs that protect schools from violence are allowable. However, we believe the questioned awards do not in any direct, documented way hold juvenile offenders accountable for their actions. A continuing key element of such a program must be accountability for juvenile offenders. It is true that at-risk programs may divert youth from committing crimes. However, as confirmed by federal representatives of the U.S. Department of Justice’s Office of Juvenile Justice Delinquency Prevention, the JAIBG program is not meant to provide funding for preventative programs.

Inadequate Commission involvement in determining priorities for the program and in the awarding process appear to be significant factors in OJA’s questioned use of JAIBG program funding. If the Commission had a more effective oversight role, it may have ensured the central purpose of the program was consistently applied in evaluating potential awards. Overall, we question \$102,109 in expenditures in FY 2001-02.

Administrative Expenditures

In addition to the questioned awards, we have concerns with certain administrative expenditures charged to the JAIBG program. Federal guidelines allow states to spend up to 10 percent of their annual federal award for administration, and during FY 2001-02, OJA expended \$450,889 in JAIBG funding on administration. As shown in the table that follows, our tests of administrative expenditures identified \$52,972 in FY 2001-02 expenditures that are questionable under the JAIBG program.

**Juvenile Accountability Incentive Block Grants
Questioned Administrative Expenditures
FY 2001-02**

Description	Amount
Defibrillators	\$41,500
Purchases Donated to the Department of Corrections	6,330
Allocation Errors	4,713
Digital Camera	296
Travel	133
Total	\$52,972

The questioned expenditures consist of the following:

- \$41,500 in defibrillators that were provided to law enforcement agencies by OJA. We question these expenditures because the purchase of defibrillators does not meet the requirements of the program to hold juvenile offenders accountable for their actions.
- \$6,330 in purchases that were provided to Department of Corrections in lieu of rent for office space in La Crosse, which is questionable since there is no documentation to support this arrangement;
- \$4,713 in errors in the allocation of expenditures to the grant, such as allocating costs at a higher percentage than an employee's time dedicated to the program;
- \$296 for the purchase of a digital camera for the Executive Director when we have found no evidence that it was used for JAIBG activity; and
- \$133 in travel expenditures that, according to DOA's State Controller's Office, are not allowable under state travel guidelines, including hotel expenditures for the Executive Director to stay overnight in Madison rather than return to his home in the nearby community of Sun Prairie in inclement weather.

Because OJA provides a 10 percent match for administrative expenditures, we question \$47,675, which represents the federal government's 90 percent share of questioned administrative expenditures.

It total, we question \$149,784, consisting of \$102,109 in expenditures under questioned awards and \$47,675 in questioned administrative expenditures.

Recommendation

We recommend the Wisconsin Office of Justice Assistance charge only federally allowable expenditures to the Juvenile Accountability Incentive Block Grants program. Further, we recommend the Office of Justice Assistance work with the federal government to resolve the \$149,784 in FY 2001-02 questioned costs and to determine whether prior-year award expenditures are allowable.

Questioned Costs: Juvenile Accountability Incentive Block Grants (catalog #16.523, award #s 1999-JB-VX-0055 and 2000-JB-VX-0055):
Allowable Costs and Activities = \$149,784

OJA Response and Corrective Action Plan: OJA maintains the position that all grant funds have been administered according to the federal program guidelines. OJA believes that interpretations in good faith were made to support the program awards. OJA interpreted the grants awards to the City

of Clintonville, Waukesha County, Brown County, the City of Sparta, and the Waupun Correctional Facility to fall under purpose area 11, which is the most broadly based area within the JAIBG program. OJA maintains the position that youth need not be adjudicated to receive JAIBG funding and that programs which reduce gang-related juvenile violence are allowable.

The Fox Valley evaluation project provided information on the future structure and administration of the JAIBG program. For the purchases in lieu of rent to the Department of Corrections, OJA will attempt to recover the equipment and will apply its use to the JAIBG program. OJA provided the auditors with an agreement dated December 31, 2002, between the Department of Corrections and OJA, to occupy the space in La Crosse.

OJA has refunded the federal government for the allocation errors and believes the travel costs are allowable because justification was submitted and proved sufficient to meet state policy. Further, OJA believes the Executive Director has the authority in extenuating circumstances to make judgment calls on travel costs.

The digital camera was purchased by the previous Executive Director, who had planned to enhance OJA's Web site by taking photographs of existing JAIBG programs. However, because of his unfamiliarity with digital cameras, the photographs were not processed.

Finding WI-02-33: Time and Effort Reporting

OMB Circular A-87 requires agencies receiving federal funds to follow specific requirements to support salary and fringe benefit costs charged to federal programs or used to meet state matching requirements. Employees working on multiple activities are required to complete time sheets to account for their total activity. If budget estimates are initially used to charge costs to federal grants, OJA is to compare the budgeted work effort to actual effort each quarter and adjust costs charged to the federal grants.

During FY 2001-02, OJA charged \$223,359 in salary and fringe benefit expenditures to the federal JAIBG program, and \$44,042 to state matching accounts. We reviewed whether work effort documentation met Circular A-87 requirements for employees whose time was charged to the JAIBG program. OJA requires employees working on multiple federal programs to complete time sheets. On a monthly basis, DOA receives OJA staff time sheets and is responsible for adjusting the amounts charged to federal grants to reflect actual work effort. However, we found two OJA employees—the Executive Director and the Agency Liaison—consistently reported their budgeted work effort as their actual work effort. During FY 2001-02, 55 percent of the Executive Director's salary and fringe benefits and 60 percent of the Agency Liaison's were charged to the JAIBG program. Given the variety of federal grant programs and work tasks completed by these employees, it

is unlikely that actual work effort would exactly equal budgeted work effort. Because OJA did not adjust amounts charged to the JAIBG program to reflect the actual work effort for the Executive Director and the Agency Liaison, the JAIBG program may have been over- or under-charged for salary and fringe benefit expenditures during FY 2001-02.

Recommendation

We recommend the Wisconsin Office of Justice Assistance comply with employee work effort documentation requirements included in OMB Circular A-87 for the Juvenile Accountability Incentive Block Grants and require all employees to complete time sheets that reflect actual work activity.

Questioned Costs: Juvenile Accountability Incentive Block Grants (catalog #16.523, award #s 1999-JB-VX-0055 and 2000-JB-VX-0055): Time and Effort Reporting = Undetermined

OJA Response and Corrective Action Plan: OJA understands the OMB Circular A-87 requirements regarding effort reporting. When federal time sheets are distributed to employees, instructions are given indicating that the time sheet must reflect actual work effort. The audit notes that two people filed the same allocation of hours each pay period, contrary to how they were instructed. One person was the prior Executive Director, who is no longer working at OJA. The other person will receive one-on-one training to avoid this problem in the future.

A written document will be distributed to educate staff of the importance of the federal time sheets and the need to reflect actual work effort. This topic will also be reviewed during new employee orientation for all new employees hired by OJA.

Finding WI-02-34: Earmarking

Federal requirements for the JAIBG program designate that funding is to be spent in 12 broadly defined areas, including construction of juvenile correctional facilities, hiring additional prosecutors, and developing programs that provide alternatives to incarceration for first-time juvenile offenders. The guidelines further delineate the percentage of funding that should be spent by state and local governments on the 12 program areas: At least 45 percent is to be allocated to program areas that deal with hiring additional juvenile judges or prosecutors, enabling prosecutors to address juvenile issues more effectively, purchasing equipment and training, and establishing court-based juvenile justice programs. At least 35 percent is to be allocated to program areas that deal with constructing juvenile correction or detention facilities, developing accountability-based sanctions programs, and establishing and maintaining information sharing programs. If local governments or state agencies do not follow this designation, a certification providing an explanation

of the reasonableness of an alternative use is required. Further, the certification must identify that existing resources or initiatives will be used for the program areas in which JAIBG funding will not be used.

While OJA requires certifications from local governments and state agencies not expending JAIBG funding in the designated program areas, OJA has not required the submission of information to justify the alternative use of the JAIBG funding or to demonstrate whether existing resources were available for other designated program areas, as required by the JAIBG program. For example, the City of Milwaukee spent 100 percent of its award in one program area: establishing and maintaining information-sharing programs. While a certification was filed with OJA, it did not include an explanation of how existing resources or initiatives are being used in the other program areas. It may be that a lack of understanding of the federal requirements caused OJA to overlook these earmarking requirements.

Recommendation

We recommend the Wisconsin Office of Justice Assistance ensure the appropriate certifications are obtained and appropriately demonstrate that existing resources are available for the other program areas.

Questioned Costs: Juvenile Accountability Incentive Block Grants (catalog #16.523, award #s 1999-JB-VX-0055 and 2000-JB-VX-0055):
Earmarking = None

OJA Response and Corrective Action Plan: OJA will review the past practice with respect to the certifications. OJA's certification process has been used by eligible grant recipients that are not able to meet the 45 percent/35 percent split. OJA will actively work with the federal Office of Juvenile Justice Delinquency Prevention to determine the adequacy of OJA's current method for ensuring compliance with this funding requirement. The federal office has, during its annual review process and site visit, observed the form used by OJA for declaring an alternative use. To date, the federal office has expressed no concern with this form or the manner in which it is being completed.

Finding WI-02-35: Federal Reporting

OJA administers 14 grants awarded by the U.S. Department of Justice, including the JAIBG program. OJA is required to complete and submit quarterly financial status reports to the U.S. Department of Justice for each grant. According to the *Financial Guide*, published by the Office of Justice Programs within the U.S. Department of Justice, quarterly financial status reports should contain actual expenditures for the reporting period and cumulatively for the award. OJA compiles information for local outlays on its financial status reports based on a database it uses to track grant expenditures and other information. OJA's use of this database has resulted in

inaccurate information being included in its financial status reports. In addition, we found errors in the manner in which OJA records interest earnings and expenditures related to awards made from interest earnings on the financial status reports.

First, local expenditures required to match federal funding are not accurately reflected on financial status reports. The expenditure information for the report period is obtained from OJA's database on the date the report is completed, rather than the first day after the end of the quarter. For example, for the quarter ended March 31, 2002, OJA had local expenditures of \$84,519 under the JAIBG program. However, the financial status report completed for this quarter was prepared on May 14, 2002, and included an additional \$43,170 in expenditures that were incurred between April 1, 2002, and May 14, 2002.

Second, interest earnings are reflected on the financial status reports when they are awarded, not as earned. Interest earned on advanced federal funding accrues continuously throughout the year but is expended periodically by granting awards to state agencies and local governments. OJA understated its program revenue on quarterly financial status reports by not reporting interest as it was earned.

Finally, federal expenditures include award payments made from interest earned on JAIBG funding. Such payments should be considered expenditures from program income sources. However, in its quarterly financial reports, OJA included all payments to state agencies and local governments to be part of its use of the overall JAIBG award, thus overstating federal expenditures to date.

The inaccuracies in the financial status reports appear to be the result of a misunderstanding of requirements and placing a low priority on completing these reports correctly.

Recommendation

We recommend the Wisconsin Office of Justice Assistance submit financial status reports to the federal government that meet all applicable federal requirements.

Questioned Costs: Juvenile Accountability Incentive Block Grants
(catalog #16.523, award #s 1999-JB-VX-0055 and 2000-JB-VX-0055):
Federal Reporting = None

OJA Response and Corrective Action Plan: OJA agrees that interest on the financial status reports was reported when awarded rather than when earned. This concern was corrected at the point it was identified. In addition, a problem was identified, and an error occurred, because of a formula in the financial status report form. The problem resulted in the overstatement of federal expenditures because program income expenditures were counted in the overall JAIBG grant and also in the program income section. This problem would correct itself when the final financial status reports were done. The form was corrected at the time the problem was identified by the auditors during the on-site visit.

OJA understands the methods required for the financial status reports and has made the changes necessary to show accurate fiscal reports. Future reports will meet all applicable federal requirements.

Prior Audit Follow-up

We followed up on DOA's progress in implementing corrective action plans for Findings WI-01-42 and WI-01-43 in our FY 2000-01 single audit report. We continue to have concerns with the level of review of the Annual Progress Reports related to the SUP grant.

Finding WI-02-36: Review of Annual Progress Reports

DOA administers the SHP grant, which provides funds to nonprofit organizations to assist the homeless in finding transitional housing. During FY 2001-02, DOA expended \$3.4 million under SHP, of which approximately \$3.3 million was subgranted to 17 nonprofit organizations. During our prior audit, we reported that DOA did not perform adequate reviews of the Annual Progress Reports to ensure the reports were mathematically accurate and that matching requirements were being met before forwarding the reports to the U.S. Department of Housing and Urban Development (HUD) (Finding WI-01-42). It is important these reports are accurate because they are used as a tool to monitor subrecipients.

DOA staff now review the reports to ensure they are mathematically accurate. However, because of time constraints, DOA staff had not ensured that matching requirements were being met. We believe this review needs to be completed to ensure that subrecipients are meeting federal requirements.

We found one subrecipient had not met the 25 percent matching requirement for supportive services for both FY 2000-01 and 2001-02. Two complicating factors that were clarified during our current audit were:

- the period to which matching should be applied: in each year or over the period of the grant; and
- whether the 25 percent match is calculated based on the federal expenditures or the total grant expenditures including matching.

Clarification of these items was obtained from HUD. Matching for supportive services is an annual match that is to be calculated based on total grant expenditures. Based on this information, we determined this subrecipient was undermatched by \$4,325 for FY 2001-02 and \$656 for FY 2000-01. We question \$4,325, which represents the excess federal reimbursements related to the subrecipient not meeting matching requirements during FY 2001-02. We do not question costs related to FY 2000-01; however, DOA should review prior-year reports and ensure matching requirements were met.

We discussed our concerns with DOA staff, who indicated they will begin reviewing the matching components in the progress reports to ensure matching requirements are met.

Recommendation

We recommend the Wisconsin Department of Administration review Annual Progress Reports to ensure subrecipients meet matching requirements and that it determine whether the one subrecipient identified during our FY 2001-02 and FY 2000-01 audits has met matching requirements.

Questioned Costs: Supportive Housing Program (catalog #14.235): Review of Annual Progress Reports = \$4,325

DOA Response and Corrective Action Plan: Division of Housing and Intergovernmental Relations (DHIR) staff acknowledge the complications with interpreting the regulations related to state matching requirements under SHP. DHIR staff agree to review the annual progress reports to ensure matching requirements are being met. The issue of the \$4,325 in questioned costs was addressed with the recipient agency, and it was determined that the matching requirement had been met.

Suspension and Debarment

The federal government requires DOA to ensure that contractors receiving individual awards for \$100,000 or more, and all subrecipients, certify that the organizations and their principal members are not suspended, debarred, or otherwise ineligible to participate in federal programs. During our FY 2000-01 audit, we reported that DOA did not require subrecipients under SHP to certify that they have not been suspended or debarred from participating in federal programs (Finding WI-01-43). DOA implemented corrective action in November 2002 and now requires all subrecipients to certify during the application process that they are not suspended or debarred.

**Wisconsin Department of Administration
Summary of Findings and Questioned Costs
FY 2001-02**

U.S. Department of Housing and Urban Development

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-36	14.235	Supporting Housing Program	Review of Annual Progress Reports*	\$ 4,325

U.S. Department of Justice

WI-02-31	16.523	Juvenile Accountability Incentive Block Grants	Involvement of the Commission	\$ 0
WI-02-32	16.523	Juvenile Accountability Incentive Block Grants	Allowable Costs and Activities	149,784
WI-02-33	16.523	Juvenile Accountability Incentive Block Grants	Time and Effort Reporting	Undetermined
WI-02-34	16.523	Juvenile Accountability Incentive Block Grants	Earmarking	0
WI-02-35	16.523	Juvenile Accountability Incentive Block Grants	Federal Reporting	0

*Repeat finding from audit report 02-7.

Inquiries regarding resolution of findings and questioned costs should be directed to the agency contact person listed in Appendix 2 of this report.

Department of Military Affairs ■

The Wisconsin Department of Military Affairs (DMA) provides a military force through the Wisconsin National Guard that is available for use in state and national emergencies. Through the Division of Emergency Management, DMA also implements statewide emergency preparedness plans and administers federal disaster and emergency relief funds. During FY 2001-02, DMA disbursed \$72.9 million; federal grants to the State financed \$48.9 million of that amount.

We followed up on the progress DMA has made in addressing findings WI-01-44 and WI-01-45 in our FY 2000-01 single audit report. While DMA has made progress in resolving our concerns with time and effort reporting, it continues to be in noncompliance with the federal requirement for progress reports under the Public Assistance Grants program (catalog #83.544).

Finding WI-02-37: Progress Reports

DMA expended \$20.6 million under the Public Assistance Grants program during FY 2001-02. This program, which was established by the Federal Emergency Management Agency (FEMA), assists state and local governments with the repair of public infrastructure and with clean-up related to federally declared disasters.

During our prior audit, we reported that DMA had submitted only one federally required quarterly progress report during FY 2000-01 related to the Public Assistance Grants program (Finding WI-01-44). DMA is still in noncompliance with this requirement. While DMA submitted progress reports for the quarters ending December 31, 2001, and March 31, 2002, it did not prepare reports for the quarters ending September 30, 2001, and June 30, 2002. DMA did not complete progress

reports for these two quarters due to other priorities, including the declaration by FEMA of two new disasters in the state during FY 2001-02, which significantly increased the time needed to process subrecipient payments.

DMA staff indicated that they have changed the format of the progress report to a form that is continually updated. This is expected to make filing of the reports more efficient in the future. At the time of our audit, DMA staff were preparing the progress report for the quarter ended December 31, 2002.

Recommendation

We recommend the Wisconsin Department of Military Affairs comply with federal requirements to submit quarterly progress reports to the federal government.

Questioned Costs: Public Assistance Grants (catalog #83.544): Progress Reports = None

DMA Response and Corrective Action Plan: DMA is aware of the requirement to submit to FEMA quarterly progress reports on the Public Assistance Program for all open disasters. As noted by the auditors, DMA filed for the quarters ending on December 31, 2001, and March 31, 2002. However, due to other priorities, including the declaration of two new disasters during FY 2001-02, reports were not filed for the other quarters. DMA believes the reports serve as a useful management tool to track subgrantee progress in adhering to federal time lines in the administration of the Public Assistance Program. Unfortunately, the press of actual disaster operations and the need to staff the Disaster Field Office prevented the required reports from being filed. Even though they were not filed, the Public Assistance Officer was and is aware of the status of the open disasters. While at the Disaster Field Office, the Public Assistance Officer worked side by side with FEMA staff and discussed the status of the various disasters with them. So even though the reports were not filed, the actual tracking of subgrantee progress was and is continuous. DMA will continue to file the reports as required by FEMA and recommended by the Legislative Audit Bureau.

Time and Effort Reporting

During FY 2001-02, DMA charged \$8.8 million in salary and fringe benefit costs directly to the National Guard Military Operations and Maintenance Projects (O&M) grant (catalog #12.401) for approximately 189 full-time equivalent positions. OMB Circular A-87 has specific documentation requirements to support salary and fringe benefit costs charged to federal programs or used to meet state matching requirements. In our prior audit, we reported that DMA was not requiring two employees whose salaries were, in part, charged to the O&M grant to complete required monthly personnel activity reports (Finding WI-01-45) and questioned an undetermined amount in salaries and fringe benefits charged to the federal government because of inadequate time and effort documentation.

DMA has made progress in resolving this finding. Throughout calendar year 2002, DMA required these two employees to complete biweekly time sheets. Based on these time sheets, it appears the federal government was not overcharged. However, DMA officials determined they could have charged the federal government for a larger portion of the salary and fringe benefit costs for one of these employees. In January 2003, DMA officials charged an additional \$6,184 to the federal government for this employee. Further, DMA plans to make a permanent change to the budgeted work effort for this employee. For the other employee, DMA officials indicated concerns with the manner in which the time sheets were completed and, therefore, no adjustments were made to this employee's work effort. DMA officials told us they plan to continue to require both employees to complete time sheets and, as determined to be appropriate, make any necessary adjustments between the budgeted and actual work effort.

**Wisconsin Department of Military Affairs
Summary of Findings and Questioned Costs
FY 2001-02**

Federal Emergency Management Agency

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-37	83.544	Public Assistance Grants	Progress Reports*	\$ 0

*Repeat finding from audit report 02-7.

Inquiries regarding resolution of findings and questioned costs should be directed to the agency contact person listed in Appendix 2 of this report.

Department of Corrections ■

The Wisconsin Department of Corrections is responsible for administering the State's correctional system. State and federal programs administered by DOC include those that affect the criminal justice system, prisons, and drug law enforcement. DOC disbursed \$985.3 million during FY 2001-02; federal grants to the State financed \$23.9 million of that amount.

As part of our standard audit procedures, we reviewed DOC's internal controls over revenues, expenditures, and the administration of federal financial assistance programs. We tested DOC's compliance with grant requirements for the Foster Care—Title IV-E subgrant (catalog #93.658), a type A program; the Juvenile Accountability Incentive Block Grants program (catalog #16.523), a type B program; and the Welfare-to-Work Grants to States and Localities program (catalog #17.253), a type B program. Overall, DOC's internal controls are adequate. However, in addition to the concerns identified in the statewide issues chapter, our review of the Foster Care—Title IV-E subgrant identified concerns with documentation in case files and completion of a time study.

Finding WI-02-38: Foster Care Case Files

The Department of Health and Family Services administers the Foster Care—Title IV-E program for the State of Wisconsin. DOC has an ongoing memorandum of understanding with DHFS under which DHFS reimburses DOC for allowable foster care costs incurred in caring for juveniles in DOC's custody.

Court orders direct that children in the juvenile corrections system be placed in one of DOC's three juvenile correctional institutions. However, while under DOC's custody, children in the juvenile corrections system may be moved from these secured facilities to non-secure facilities, such as group homes, after successfully achieving behavioral goals. Foster care regulations do not allow DOC to claim federal reimbursement for children placed in juvenile correctional institutions. However, DOC may claim federal reimbursement for costs, including eligible administrative costs, incurred in maintaining children in non-secure facilities.

Field agents at the two DOC regional offices are responsible for determining whether cases meet certain federal eligibility requirements, thereby allowing DOC to receive federal reimbursement of the administrative costs related to these children. These requirements include the following:

- the child must be under 18 years of age and a U.S. citizen;
- the annual income of the child's family must be less than \$10,000; and
- the court order for the child must contain specific language required by federal regulations, such as a judicial determination that continuation in the home is contrary to the welfare of the child.

Upon determining that cases are eligible for administrative cost reimbursement, the field agents determine whether the cases meet additional federal foster care requirements, which would make the costs of maintaining the children in non-secure facilities also eligible for reimbursement. To be federally reimbursable, the maintenance costs must be for children who meet the previous criteria for eligibility of administrative costs, as well as additional criteria including:

- the child is not receiving Supplemental Security Income benefits, has assets valued at less than \$10,000, and is placed in a licensed, nonprofit, and non-secured facility;
- the court orders contain specific language required by federal regulations, such as judicial determinations that reasonable efforts were made to prevent the removal of the child from the home;
- the State has obtained annual court renewal orders to indicate that it continues to be responsible for the child. As part of the renewal orders, there must also be judicial determinations that the State made reasonable efforts to finalize the child's permanency plan during the past 12 months; and
- the cases are annually redetermined as to their reimbursability under the Foster Care—Title IV-E program.

DOC requests reimbursement for allowable administrative and maintenance costs from DHFS. DHFS, in turn, requests reimbursement from the federal government for its share of foster care costs. During FY 2001-02, DOC requested \$2.5 million in federal foster care reimbursement.

DOC requested both administrative and maintenance cost reimbursements for 78 cases during October 2001. In order to assess whether the reimbursements were allowable under the Foster Care—Title IV-E program, we reviewed case file and other information for 8 of the 78 cases.

We identified serious concerns with DOC's documentation of its determination of allowability, including use of outdated determination forms, incomplete or inaccurate information on the determination forms, lack of supporting documentation in the case files related to income and asset requirements, lack of required annual redeterminations, and incomplete court orders. As shown in the following table, we question \$44,692 in maintenance costs and an undetermined amount of administrative costs related to these cases.

Foster Care Case Files Testing Results at DOC

Case	Correct Determination Form Used?	Income/Asset Requirements Documented?	Annual Redeterminations Performed?	Required Court Order Language Present?	Questioned Costs*
1	No	No	No	No	\$ 7,654
2	No	No	No	No	10,236
3	No	No	No	No	5,786
4	No	No	No	No	6,649
5	No	No	No	No	3,563
6	No	No	No	No	9,560
7	No	No	No	Yes	165
8	No	No	No	No	1,079
					\$44,692

* Amounts are for maintenance costs. We also question an undetermined amount of administrative costs for cases 2, 4, 5, and 7.

DOC used outdated determination forms for all eight cases, which, due to changes in the federal regulations, may have resulted in incorrect reimbursability determinations. For example, for seven cases, DOC used the 1996 version of the determination forms when the 1999 version should have been used. By doing so, DOC did not consider whether the client was in receipt of Supplemental Security

Income benefits, which, if received, would make the case non-reimbursable. For the eighth case, DOC used the 1999 determination form rather than the 2001 form. Since the level of allowable assets for the child increased from less than \$1,000 to less than \$10,000, DOC may have incorrectly determined reimbursability of the case. Further, DOC included incomplete responses on the initial determination forms for all eight cases. For instance, in one case DOC entered the child's age and social security number but not other required information, such as income and asset levels. Nevertheless, DOC determined that this case was eligible for federal reimbursement for both administrative and maintenance costs.

None of the eight case files contained documentation to support the field agents' initial determination that the family met foster care income requirements or that the child met asset-level requirements. Further, DOC did not annually redetermine whether any of the eight cases continued to be eligible and reimbursable. In one instance, the client attained the age of 18 in July 2001 and, therefore, was ineligible to participate in the Foster Care—Title IV-E program; however, because the redetermination was not made, DOC continued to request, and receive, federal foster care reimbursements.

Finally, we found problems with court orders for seven of the eight cases. Court orders for four of the cases did not contain the required language stating that reasonable efforts were made to prevent removal. For three of these cases, DOC incorrectly indicated on the determination form that the appropriate reasonable efforts language was included on the court orders. For the fourth case, DOC field agents indicated on the determination form that the case was ineligible; however, for unknown reasons, DOC still requested reimbursement for administrative and maintenance costs. Further, court orders for five of the eight cases did not contain the required language relating to the requirement that reasonable efforts be made to finalize a permanency plan.

Based on the information available in the files, it appears that four of the cases are not eligible for reimbursement under the Foster Care—Title IV-E program. Therefore, we question the federal government's share of all costs associated with these four cases during FY 2001-02. In addition, while there was information to conclude the remaining four cases were eligible for administrative cost reimbursements, the information was not sufficient to conclude that these cases were eligible for reimbursement of maintenance costs. Therefore, we question the federal government's share of maintenance costs associated with these four cases during FY 2001-02. In total, we question \$44,692 in maintenance costs, plus an undetermined amount of administrative costs for the eight cases.

We provided the identified exceptions to DOC staff, who agreed the claims for reimbursement were either inappropriate or undocumented. Staff explained that training related to new regulations effective March 27, 2000, was not provided to DOC staff until October 2001. In addition, DOC staff indicated that the training and the foster care policy manual provided by DHFS did not include guidance on how to interpret and follow foster care regulations when caring for children in the juvenile corrections system. We also note that while staff indicated that supervisory reviews of the determinations were completed, based on our testing results, it appears any reviews that were completed were ineffectual.

☑ Recommendation

We recommend the Wisconsin Department of Corrections:

- *perform a redetermination of foster care eligibility and reimbursability for FY 2001-02 and provide a copy of the revised claim information to the Wisconsin Department of Health and Family Services;*
- *provide sufficient training to the field agents to ensure they understand the requirements for making case determinations; and*
- *require supervisory review and sign-off on the determination forms until such time as it is determined the forms are being completed appropriately.*

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0101WI1401 and G0101WI1402): Foster Care Case Files = \$44,692, Plus an Undetermined Amount.

DOC Response and Corrective Action Plan: On February 25, 2003, a team of DHFS staff reviewed the eight cases sampled by the auditors. The DHFS review confirmed the auditors' findings. DOC agrees to adjust the foster care claim by \$44,692. DOC's Division of Juvenile Corrections staff has been reduced by 18 positions as a result of budget reductions. The Division is currently reviewing how it will reassign duties to carry out critical functions. At this time, it cannot commit staff resources to carry out a review of prior-year foster care cases. As staff resources allow, the Division may go back and review selected cases.

DOC has an alternative plan for the three related recommendations on determinations, training for probation and parole agents, and supervisory review and sign-off on determinations. DOC wants to focus on the future and have a private vendor review cases under the supervision of DOC and provide recommendations on the foster care determination, similar to the method used by county agencies that are under contract with DHFS. Since December 2002, DOC has worked with DHFS on amending the contract with the private vendor to include DOC. The two state agencies have addressed issues on defining the episode of care, when the referral should take place, how to obtain needed information from county departments, and necessary training for DOC staff. While the contract language has not been completed, DOC will commit program support staff to review and sign off on the determination recommendation made by the private vendor and will commit supervisory and administrative staff to review a sample of cases for compliance with foster care requirements. DOC and DHFS will continue to meet to discuss implementation and contract issues. It is expected that the private vendor will begin reviewing DOC cases during April or May 2003.

Finding WI-02-39: Time Study

Federal regulations allow foster care funds to be used for costs directly related to the administration of the program. DOC employees in the Division of Juvenile Corrections work on different projects throughout the year, including those reimbursable under foster care. To determine the eligible foster care costs, DOC worked with a private vendor to develop a time study, which included two components: the accumulation of a pool of costs to be allocated among the various projects on which Division of Juvenile Corrections employees work, and a mechanism to record actual time employees spent on the various projects. We reviewed the time study completed for the quarter ending December 31, 2001, to determine whether the administrative costs charged to the Foster Care—Title IV-E program were reasonable.

DOC prepares monthly expenditure reports that are provided to the private vendor and that summarize the costs included in the cost pool. We have concerns because, due to clerical error, the private vendor omitted from the monthly expenditure reports \$169,073 in costs for two eligible activities for the quarter ended December 31, 2001.

To determine how much of the cost pool to allocate to the Foster Care—Title IV-E program, DOC requires Division of Juvenile Corrections employees to complete time sheets for one week during each quarter. The time sheets are to indicate the primary activity worked on during each 30-minute interval. The time sheets are provided to the private vendor, which reviews the time sheets for overall reasonableness and summarizes reported time. The private vendor's procedures indicate that it excludes from the time study any time sheets that have been improperly prepared. After calculating the percentage of work effort spent on allowable foster care activities, the private vendor calculates the federal share of the costs included in the cost pool. The private vendor forwards this information to DHFS to be included in the quarterly foster care claim report.

We tested time sheets for 5 of the 48 Division of Juvenile Corrections employees who completed time sheets for the quarter ending December 31, 2001. We found exceptions for three of the five employees:

- one employee consistently entered more than one activity for each 30-minute interval, rather than just one primary activity;
- another employee entered 24 30-minute intervals of leave for two of the days in the time study; and
- a third employee incorrectly entered two activities within the same 30-minute interval on one day of the time study.

DOC did not detect these errors because it did not have basic controls in place to ensure the accuracy of the time sheets. For example, DOC had not required any supervisory review of the time sheets, and there was no requirement that employees or their supervisors sign off on the time sheets.

We also have concerns with the private vendor's summary of the time sheets:

- The vendor did not omit from the time study time sheets that were inappropriately prepared. For example, the vendor included the time sheet for the employee who reported more than one activity for each 30-minute interval.
- The time summaries did not consistently agree with the employees' time sheets. We found instances in which additional time that was not on the employees' time sheets was included in the time summary, as well as time reported on the time sheets that had not been entered into the time summary.

Overall, for these five employees, the time summaries completed by the vendor differed by 210 hours from the total hours worked according to the individual time sheets. DOC staff did not detect these errors because no review is performed of the private vendor's time summary and calculation of the reimbursement amount.

We discussed our concerns with staff at DOC and the private vendor, who agree that there were errors in the cost pool and in the preparation and summary of time sheets. The private vendor explained that the person who summarized the time sheets was no longer employed by the company. After our inquiry, the private vendor recalculated the time summary and reimbursement for the quarter ending December 31, 2001, and determined that the State was due an additional \$24,960 in federal foster care reimbursements. DHFS included these funds in the foster care claim report for the quarter ending September 30, 2002.

Recommendation

We recommend the Wisconsin Department of Corrections:

- *ensure amounts included in the foster care cost pool are accurate,*
- *require a supervisory review and sign-off on time sheets related to the time study, and*
- *review the private vendor's work for overall accuracy and reasonableness.*

Questioned Costs: Foster Care—Title IV-E (catalog #93.658, award #s G0101WI1401 and G0101WI1402): Time Study = Undetermined

DOC Response and Corrective Action Plan: DOC is in the process of implementing all recommendations related to internal controls on the time study. In February 2003, a program assistant in the Division of Juvenile Corrections began reviewing the time study for obvious errors before submittal to the private vendor. DOC drafted a revised time sheet form that includes a supervisory review and sign-off. By March 31, 2003, the private vendor will review the draft time sheet. Division of Juvenile Corrections staff will meet with the private vendor by March 31, 2003, to discuss the claim to DHFS. DOC will require that the private vendor submit its proposed claim to DOC for review. After DOC’s review, it will forward the claim to DHFS. As part of its review, DOC will determine whether the time reporting information compiled by the private vendor is accurate. The results of these reviews will be shared with the private vendor.

**Wisconsin Department of Corrections
Summary of Findings and Questioned Costs
FY 2001-02**

U. S. Department of Health and Human Services

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-38	93.658	Foster Care—Title IV-E	Foster Care Case Files	\$ 44,692 Plus an Undetermined Amount
WI-02-39	93.658	Foster Care—Title IV-E	Time Study	Undetermined

Inquiries regarding resolution of findings and questioned costs should be directed to the agency contact person listed in Appendix 2 of this report.



Department of Justice ■

The Wisconsin Department of Justice is responsible for providing legal representation and advice, criminal investigation, and other law enforcement services to the State of Wisconsin and to local units of government. DOJ disbursed \$81.3 million during FY 2001-02; federal grants to the State funded \$11.1 million of that amount.

As part of our standard audit procedures, we reviewed DOJ's internal controls over revenues, expenditures, and administration of federal financial assistance programs. We tested DOJ's compliance with grant requirements for the State Medicaid Fraud Control Units grant (catalog #93.775), which is part of the Medicaid Cluster, a type A major program.

Overall, DOJ's internal controls are adequate, and the agency complied with the requirements for the tested major grant program. As part of our current audit, we followed up on our prior audit finding regarding DOJ's time and effort reporting.

Prior Audit Follow-up

OMB Circular A-87 has specific requirements to support salary and fringe benefit costs charged to federal programs or used to meet state matching requirements. For employees working exclusively on a single federal program, DOJ must ensure that semiannual certifications are completed stating that the employees worked solely on the federal program. These certifications must be signed by the employees or their supervisors. In addition, in order to ensure expertise is developed in Medicaid fraud, federal rules specific to the Medicaid Fraud Control Units grant require that, in order to be eligible for federal reimbursement, professional employees must spend

100 percent of their work effort on fraud control activities. If employees spend a portion of their work effort on non-fraud control activities, DOJ must obtain a waiver from the federal government allowing the portion spent on fraud control activities to be allocated to the Medicaid Fraud Control Units grant.

During our prior audit, we noted that DOJ had charged 100 percent of the work effort of one employee to the Medicaid Fraud Control Units grant, even though the employee reported that he had spent 17.7 percent of his work effort on non-fraud control activities. In addition, DOJ did not seek and receive a waiver to allow this employee to spend less than 100 percent of his effort on fraud control activities, making the entire amount charged to the federal government questionable. However, we noted that a part-time employee spent 100 percent of her work effort on fraud control activity, but DOJ had not charged any of her salary and fringe benefits to the Medicaid Fraud Control Units grant. The salary and fringe benefits for the part-time employee that could have been charged to the federal government totaled \$13,241, which is \$5,416 more than the \$7,825 in salary and fringe benefits that DOJ charged the federal government for the first employee's work effort related to non-fraud control activities (Finding WI-01-46).

DOJ has implemented its corrective action plan. DOJ sought and received a federal waiver to charge the Medicaid Fraud Control Units grant for the salary and fringe benefits of the employee who spent less than 100 percent of his work effort on the grant. In addition, DOJ requested and received \$5,416 in federal reimbursement related to additional work effort for the employee whose salary and fringe benefits could have been, but were not, charged to the program. Finally, during FY 2001-02, a different Medicaid Fraud Control Unit employee spent part of her work effort on non-fraud control activities. DOJ requested and received the federally required waiver to charge this employee's actual work effort to the Medicaid Fraud Control Units grant.

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Higher Educational Aids Board ■

The Wisconsin Higher Educational Aids Board (HEAB) is responsible for the management and oversight of the State's student financial aid system for Wisconsin residents attending institutions of higher education. HEAB disbursed over \$70.9 million during FY 2001-02 through various financial aid programs; federal grants to the State financed nearly \$1.1 million of that amount.

In the past, HEAB provided student financial aid under the U.S. Department of Health and Human Services' Health Education Assistance Loans (HEAL) program. Although HEAB has not issued new loans under the HEAL program since the mid-1980s, HEAB is responsible for collecting outstanding loans, which had a reported outstanding balance of \$1.7 million as of June 30, 2002. As part of our current audit, we followed up on our prior audit recommendation regarding late fee assessments.

Prior Audit Follow-up

According to federal HEAL regulations, if a borrower fails to make all of a required loan payment or fails to provide written evidence that verifies eligibility for a loan deferment within 30 days after a payment's due date, the lender will assess a late fee. The late fee must be 5.0 percent of the unpaid portion of the payment due.

During our FY 2000-01 single audit, we found that HEAB, as the lender, had not assessed the required late fees (Finding WI-01-47). We were unable to determine the exact amount of late fees that should have been assessed, because HEAB tracks only delinquent loan balances and not specific late payments. However, of the 20 outstanding loans that we reviewed, 6 were delinquent in their June 2001 payments and could have had late fees assessed totaling nearly \$350 for that month alone.

Since our prior audit, HEAB staff have obtained written correspondence from Department of Health and Human Services staff. According to this correspondence, although the HEAL regulations require lenders to charge late fees, the Department of Health and Human Services neither monitors nor enforces this provision. It further states that the State of Wisconsin's HEAL program may make the decision regarding whether late fees are, in fact, to be imposed. The State of Wisconsin has chosen not to apply such fees to delinquent loan balances.

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State of Wisconsin Schedule of Findings and Questioned Costs for the Year Ended June 30, 2002 ■

OMB Circular A-133 requires the auditor to prepare a schedule of findings and questioned costs that includes the following three sections:

1. a summary of the auditor's results;
2. findings relating to the financial statements, which are required to be reported in accordance with *Government Auditing Standards*; and
3. findings and questioned costs for federal awards.

SECTION I—Summary of Auditor's Results

As required by OMB Circular A-133, the Wisconsin Legislative Audit Bureau is providing the following summary information related to the State of Wisconsin's single audit for FY 2001-02:

- We issued an unqualified opinion on the State of Wisconsin's basic financial statements.
- We noted several reportable conditions in internal control over financial reporting that were included in our "Independent Auditor's Report on the State of Wisconsin's Compliance and on Internal Control over Financial Reporting Based on an Audit of the Basic Financial Statements Performed in Accordance with Government Auditing Standards," dated December 13, 2002. We noted one matter involving UW System's financial reporting process (Finding WI-02-40) that we consider to be a material weakness in internal control over financial reporting.

- We noted no instances of noncompliance with laws, rules, regulations, and contracts that were material to the State of Wisconsin's basic financial statements.
- We noted several reportable conditions in internal control over major federal programs. The internal control weaknesses described in Findings WI-02-5, WI-02-6, and WI-02-38, included in the Department of Health and Family Services and the Department of Corrections report narratives, are material weaknesses in internal control over administration of the Foster Care—Title IV-E program. In addition, the internal control weaknesses described in Findings WI-02-31 and WI-02-32, included in the Department of Administration report narrative, are material weaknesses in internal control over administration of the Juvenile Accountability Incentive Block Grants program.
- We noted several instances of noncompliance with federal regulations. Findings WI-02-5, WI-02-6, and WI-02-38, included in the Department of Health and Family Services and the Department of Corrections narratives, taken together are considered material instances of noncompliance that require us to qualify our opinion on the State of Wisconsin's compliance with requirements applicable to its major federal programs.
- We disclosed findings that are required to be reported under OMB Circular A-133, section 510(a). These findings are described in the single audit agency report narratives and accompanying summaries of findings and questioned costs.
- The dollar threshold used to distinguish between type A and type B programs, as prescribed by OMB Circular A-133, section 520(b), was \$22.2 million.
- The State of Wisconsin did not qualify as a low-risk auditee under OMB Circular A-133, section 530.
- The following were major federal grant programs, determined in accordance with OMB Circular A-133, section 520:

Catalog Number	Name of Federal Program or Cluster
10.551/.561	Food Stamp Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
16.523	Juvenile Accountability Incentive Block Grants
17.225	Unemployment Insurance
17.253	Welfare-to-Work Grants to States and Localities
17.258/.259/.260	WIA Cluster
20.106	Airport Improvement Program
20.205/23.005	Highway Planning and Construction Cluster
66.001	Air Pollution Control Program Support
66.432	State Public Water System Supervision
84.010	Title I Grants to Local Educational Agencies
84.027/.173	Special Education Cluster
84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States
84.332	Comprehensive School Reform Demonstration
93.268	Immunization Grants
93.558	Temporary Assistance for Needy Families
93.563	Child Support Enforcement
93.568	Low-Income Home Energy Assistance
93.575/.596	Child Care Cluster
93.658	Foster Care—Title IV-E
93.767	State Children’s Insurance Program
93.775/.777/.778	Medicaid Cluster
96.001/.006	Disability Insurance/SSI Cluster
Various	Research and Development Cluster
Various	Student Financial Aid Cluster, limited to:
	UW-Milwaukee
	UW-Oshkosh
	UW-Parkside
	UW-Superior
	UW-Whitewater

SECTION II—Financial Statement Findings

This section of the schedule includes all reportable conditions related to internal control over financial reporting that are required to be reported by auditing standards generally accepted in the United States and *Government Auditing Standards*, including those that do not affect federal awards. Repeat findings from audit report 02-7 are indicated with an asterisk (*).

Finding WI-02-40: University of Wisconsin System Financial Statement Compilation

Criteria:

To ensure financial activity is appropriately summarized, UW System should have adequate procedures for the timely compilation of financial information that meets accounting principles generally accepted in the United States.

Condition:

UW System's compilation process has not adequately been modified to incorporate all of the new requirements of the Governmental Accounting Standards Board accounting principles applicable to colleges and universities. As a result, our audit revealed material errors in the draft financial statements, and financial reporting deadlines were missed.

Questioned Costs:

None

Context:

UW System implemented a new reporting model during FY 2001-02, which resulted in significant changes. For example, the new reporting model required full accrual accounting, including recording accumulated depreciation, a Statement of Cash Flows, and the consolidation of fund types previously reported by colleges and universities.

Effect:

UW System's financial compilation process does not provide reasonable assurance that material misstatements would be detected in a timely manner by employees in the normal course of performing their assigned functions.

Cause:

While UW System did dedicate staff time to research issues related to the changes required in implementing the new reporting model, it does not appear that UW System placed high priority on this project, since it did not compile pro forma statements or involve campus personnel in the analysis and implementation of reporting changes. Only limited modifications were made to its compilation process.

Recommendation:

We recommend UW System refine its compilation process to incorporate all information required by accounting principles generally accepted in the United States.

Management's Response:

UW System is in agreement with the Legislative Audit Bureau's broad conclusion that the process followed to date for compiling financial statements in accordance with generally accepted accounting principles is complex and time-consuming. While UW System does not believe the process is significantly flawed from an internal control standpoint or that it presents a risk that material misstatement will result, UW System is in full agreement that the process could and should be both streamlined and strengthened. UW System welcomes input from the Legislative Audit Bureau in conducting a comprehensive review of its financial statement preparation process with the goal of improving the process prior to preparation of the financial statements for FY 2002-03.

Finding WI-02-41: Excessive Access to University of Wisconsin System Accounting and Payroll Data***Criteria:**

To provide proper internal control, UW-Madison's Business Services and Division of Information Technology (DoIT) staff should limit access to payroll and accounting systems to those individuals who need it to perform their job duties.

Condition:

While UW-Madison's Business Services appears to have implemented our prior audit recommendation related to payroll data and has appropriately limited access to the payroll system, we identified significant concerns with access to accounting system transactions. During our review of eight critical accounting system transactions, we identified 147 log-on identifications that had been granted access that was not needed, including seven individuals with excessive access to the transaction used to generate payments. These instances also included five programmers who retained access to three critical accounting system transactions.

Questioned Costs:

None

Context:

While DoIT maintains the UW accounting and payroll systems, employees at all UW campuses and various UW divisions need access for data entry and viewing. Communication between DoIT, UW-Madison's Business Services, and the individual campuses and divisions is needed to ensure access is not excessive.

Effect:

Information related to accounting and payroll systems may not be adequately protected from accidental or malicious dissemination, modification, or deletion resulting in inaccurate financial reporting. For example, accounting data, such as expenditure information, could be inappropriately manipulated. In addition, an employee with extensive knowledge of the accounting and payroll systems, such as a programmer, could make unauthorized changes to data and conceal those changes.

Cause:

Based on prior audit recommendations, UW-Madison's Business Services obtains a listing of individuals with payroll system access to track and monitor that access and appears to take reasonable steps to limit that access. However, we found that no review of access to the accounting system was completed during FY 2001-02. If the accounting access reviews had been conducted, the excessive access could have been identified and removed in a timely manner, such as we found for the review of payroll system access.

Recommendation:

We recommend UW-Madison's Business Services staff immediately remove the acknowledged instances of excessive access and improve its review of accounting system access.

Management's Response:

UW-Madison staff will remove the programmer access to two of the three transactions immediately. UW-Madison staff are requesting that DoIT and Business Services review the list of DoIT staff authorized for the third transaction and reduce access to those staff who need access to correct data problems in data sets that Business Services staff cannot correct on their own. In addition, UW-Madison will review access to critical accounting and payroll transactions at least annually.

Finding WI-02-42: Programmer Access to Critical Production Programs at the University of Wisconsin*

Criteria:

To provide proper internal control, controls should be established to prevent programs from being altered and/or put into production without proper oversight and review.

Condition:

We noted concerns related to excessive access to production programs at UW-Madison. Programmers have access to the programs in production and could move programs from test to production without proper oversight and review.

Questioned Costs:

None

Context:

UW-Madison maintains critical systems, including financial data for UW System accounting and payroll systems.

Effect:

Programmers with extensive knowledge of the computer programs could make unauthorized changes to the programs and conceal those changes, resulting in undetected erroneous or fraudulent information.

Cause:

Controls were not developed to ensure proper oversight before programs are moved to production.

Recommendation:

In prior audits, we have expressed our concerns regarding access to production programs granted to programmers and have made recommendations to reduce the access allowed. We continue to believe that programmers should not have access to production programs. However, UW-Madison indicated that it accepts the risks in this area because these programs, which currently reside on the mainframe, are being moved to other platforms in the future, and new procedures are being developed for these platforms. Therefore, we make no recommendation at this time.

Finding WI-02-43: Improvement in Security at the Data Centers***Criteria:**

Security at the State's two data centers—one administered by the Department of Electronic Government, and one by the University of Wisconsin—should be established to ensure data and transactions processed at the data centers are not susceptible to unauthorized manipulation.

Condition:

While control improvements have been made, continued effort is needed at the data centers to provide a more secure computing environment. For example, the Department of Electronic Government should review employee access to operating system software and take other measures to improve its control environment.

Questioned Costs:

None

Context:

The data centers provide a centralized computer processing facility in which critical accounting and payroll data are processed.

Effect:

Control weaknesses increase the risk that unauthorized or erroneous changes are made to accounting, payroll, and other transactions and data.

Cause:

The recent transfer of the data center from the Department of Administration to the Department of Electronic Government, and implementation of new software, resulted in additional changes. While improvements have been made to strengthen controls, because of time constraints some areas of concern remain.

Because the University of Wisconsin is moving its critical financial applications from the mainframe to servers, limited resources are available to make changes to the mainframe. Further, while the University of Wisconsin is in the process of improving some controls for its servers, due to time constraints not all changes have been made. Therefore, concerns remain.

Recommendation:

We recommend the data centers continue to review their security and improve controls.

Management Response:

The Department of Electronic Government has taken steps and is developing plans to address all concerns identified. DoIT agrees with this recommendation. DoIT strives to keep abreast of new technological developments and to implement available security controls to help reduce risks. As DoIT replaces older mainframe systems with newer technologies, it will continue to enhance the security of the data center through the use of administrative, physical, and technical controls.

Finding WI-02-44: Programmer Access to Critical Production Programs and Data at the Department of Transportation***Criteria:**

To provide proper internal control, the programmers should not have the ability to access or update production data and programs.

Condition:

Computer programmers at the Department of Transportation have access to the programs in production, and some are allowed to move programs from the test environment to production. In addition, some computer programmers have access to production data through access to the Control-M job scheduling program.

Questioned Costs:

None

Context:

The Department of Transportation maintains accounting and other systems critical to agency operations.

Effect:

Programmers with extensive knowledge of the computer programs and data sets could make unauthorized changes to the programs or data and conceal those changes, resulting in undetected erroneous or fraudulent changes.

Cause:

The Department of Transportation believes it can more efficiently complete program changes and job scheduling by allowing programmers access to the production environment and to Control-M.

Recommendation:

We recommend the Department of Transportation remove programmers' access to critical production programs and to the Control-M job scheduling program.

Management Response:

The Bureau of Automation Services (BAS) agrees that allowing programmers access to production programs is a risk, but a necessary risk. BAS follows nationally recognized security measures to protect the integrity of its programs and has worked with the auditors to implement their recommendations where either party identified a feasible solution. Access controls in combination with Changeman staging controls, user verification procedures, and supervisory oversight maintain a high level of production system security. A couple of years ago, BAS, with the auditors' oversight, implemented a process to more frequently review access to production programs. This year, with the auditors' oversight, access to Control-M was significantly reduced. The ongoing review of staff access to production programs will be expanded to include Control-M access. BAS will continue to discuss with the auditors ideas to further improve the ability to provide a sound production environment.

Finding WI-02-45: Programmer Access to the State's Central Accounting System and Central Payroll System Data***Criteria:**

To provide proper internal control, programmer duties should be separated from production and data control duties.

Condition:

Programmers for the State's central accounting system and central payroll system have access to production data that would allow them to change the data stored in the data sets.

Questioned Costs:

None

Context:

The State's central accounting system maintains the State's official accounting records. The system processes financial data for all state agencies and is the main source of information for financial schedules and statements, including the State of Wisconsin's financial statements. The State's central payroll system processes the biweekly payroll for most state employees.

Effect:

Programmers with access and extensive knowledge of the computer programs in the systems could make unauthorized changes to data and conceal those changes.

Cause:

The Department of Administration requires computer programmers to perform production and data control duties.

Recommendation:

In prior audits, we have expressed our concerns regarding access to production data granted to programmers and have made recommendations to reduce the risk of unauthorized transactions. We continue to believe that programmers should not have access to these data. The Department of Administration is aware of the concerns but accepts the risks in this area. Therefore, we do not repeat our recommendation at this time.

Finding WI-02-46: Department of Administration's Capital Accounting Section Control Environment***Criteria:**

To provide proper internal control, controls should be established over financial reporting to prevent material misstatements to the financial statements; in addition, the control environment should reflect an awareness of the importance of controls at all levels.

Condition:

In prior audits, we found significant errors and inconsistencies in the financial information prepared by the Capital Accounting Section; the need for improved communications with state agency staff to ensure they understand and agree with the financial information to include in the financial statements; and significant delays in providing the reporting information. In response to these concerns, the State Controller's Office has taken some corrective actions. For example, it implemented improvements to the project classification process for financial reporting during FY 2001-02, as well as additional reconciliations to detect certain types of errors. However, continued improvement is needed. During our current audit, we again identified errors and inconsistencies in the financial reporting information submitted by the Capital Accounting Section. In addition, while the timeliness of reporting has improved, some deadlines were still not met, and some significant adjustments were made after the information was initially submitted.

Questioned Costs:

None

Context:

The Capital Accounting Section is responsible for preparing financial information related to the State's building program and the State's outstanding debt for inclusion in the State's financial statements.

Effect:

There is an increased risk that the financial statements contain misstatements.

Cause:

There are complex accounting issues related to reporting the State's building program and outstanding debt in accordance with accounting principles generally accepted in the United States. The implementation of Governmental Accounting Standards Board Statement No. 34 for FY 2001-02 made that effort even more complex.

Recommendation:

We recommend the Department of Administration continue to improve the accuracy and timeliness of the bonding and capital projects financial information included in the State of Wisconsin's financial statements and to improve its explanations to staff at other agencies that rely on information provided by the Capital Accounting Section to complete their financial statements. These steps should include continued improvement in the project classification process; additional written guidance for agency staff; and additional review procedures by Capital Accounting staff, such as analytical reviews designed to detect errors that may have occurred prior to the submission of the financial information.

Management's Response:

The Capital Accounting Section has been working with the Financial Reporting Section and the Legislative Audit Bureau to improve the project classification process. In FY 2001-02, the Capital Accounting Section started sending classification reports to state agency staff to review on a monthly basis. While this has improved the process, some agency staff continue to have difficulty with the classifications. The Capital Accounting Section has developed more detailed guidelines and classifications to help those agencies. These guidelines, in addition to more detailed procedures for reporting debt proceeds, will be added to the GAAP Conversion Manual. Additional analytical reviews will be developed, where feasible, given the time and staff constraints inherent in the process.

Finding WI-02-47: Access to the State's Central Accounting System Transactions***Criteria:**

To provide proper internal control, access to an accounting system should be limited based on employees' job duties. Employees should not have the ability to both enter and approve transactions.

Condition:

The Department of Administration has taken steps to prevent employees from both entering and approving the same transactions. However, employees can override this restriction on transactions entered by other employees, through their ability to "correct" and approve transactions that remain on the suspense file. Effectively, employees continue to have the ability to both enter and approve WiSMART transactions, including those that result in the generation of checks.

Questioned Costs:

None

Context:

WiSMART, the State's accounting system, processes financial data for all state agencies and is the main source of information for financial schedules and statements, including the State's financial statements.

Effect:

The ability to effectively enter and approve transactions increases the risk that unauthorized transactions will be processed.

Cause:

Employees can override the control implemented by the Department of Administration to restrict an employee's ability to both enter and approve the same transaction. Since WiSMART cannot effectively restrict the access and the Department believes employees need this access to perform their job duties, the Department has chosen to accept the risk.

Recommendation:

In prior audits, we have expressed our concerns related to WiSMART access granted to employees and have recommended the Department of Administration develop procedures that separate the entry and approval ability for processing WiSMART transactions. We continue to believe employees should not have both entry and approval abilities. However, the Department of Administration indicated that it accepts the risks in this area. Therefore, we do not repeat our recommendation at this time.

Management's Response:

The Department of Administration understands the finding and agrees that it has accepted an inherent risk. The Department believes there are sufficient safeguards in place through internal policies and reviews that will mitigate these risks.

Finding WI-02-48: Programmer Access to Critical Production Programs at the Department of Administration*

Criteria:

To provide proper internal control, controls should be established to prevent programs from being altered and/or put into production without proper oversight and review.

Condition:

Programmers at the Department of Administration have access to the programs in production, and some are allowed to move programs from the test environment to production.

Questioned Costs:

None

Context:

The Department of Administration maintains critical systems, including financial data for the central accounting and payroll systems, and other systems critical to agency operations.

Effect:

Programmers with extensive knowledge of the computer programs could make unauthorized changes to the programs and conceal those changes, resulting in undetected erroneous or fraudulent changes.

Cause:

The Department of Administration believes the programmers require this access to allow them to efficiently resolve production problems.

Recommendation:

In prior audits, we have expressed our concerns related to programmer access to production programs and have recommended the Department of Administration remove programmers' access or implement adequate compensating controls. We continue to believe programmers should not have access to production programs. However, the Department of Administration indicated that it accepts the risks in this area. Therefore, we do not repeat our recommendation at this time.

Management Response:

The Department of Administration believes that in order to adequately maintain and ensure the smooth functioning of the State's accounting and payroll systems, a limited number of programmers must have the ability to make changes to code in production to fix urgent problems. In addition, only the security officer and the backup to the security officer have the ability to move code from the test region into production, after sign-off by the customer.

The Department believes that the current number of staff who have write access to central accounting and payroll production data is appropriate given the size and complexity of the systems and the need for adequate staff backup. This finding does not stipulate what would be an acceptable number of programmers to have access to production. The Department would be interested in solutions the auditors have seen implemented in other state agencies.

Finding WI-02-49: Programmer Access to Critical Production Programs at the Department of Natural Resources*

Criteria:

To provide proper internal control, controls should be established to prevent computer programs from being altered and/or put into production without proper oversight and review.

Condition:

Since our prior audit, the Department of Natural Resources has taken steps to move toward a more controlled computing environment. Most important, the Department has moved a significant number of its applications to a new operating system, which has a separate test environment. However, while the infrastructure is in place to provide adequate separation of duties, the Department has not implemented procedures for the review and approval of program changes before they are moved to production. Therefore, programmers continue to have the ability to move computer programs from test to production without proper oversight and review.

Questioned Costs:

None

Context:

The Department of Natural Resources maintains computer systems that are critical to agency operations.

Effect:

Programmers with extensive knowledge of the computer programs could make unauthorized changes to the programs and conceal those changes, resulting in undetected erroneous or fraudulent changes.

Cause:

The Department of Natural Resources has not developed controls to ensure proper oversight before programs are moved to production.

Recommendation:

We recommend the Department of Natural Resources remove programmers' access to production programs and implement procedures to provide for the review and approval of program changes before they are moved to production.

Management Response:

The Department of Natural Resources agrees with the spirit of this recommendation; however, its implementation requires significant additional resources at a time when fewer and fewer are available. Since last year, the Department has determined that at a minimum, implementation will require:

- development of revised procedures for moving programs to production, communication of these procedures to all developers, and orientation of staff to these procedures;
- establishment and ongoing technical support of a "staging" environment that would allow programmers to make and test programming changes and then move the updated programs to a place where they may be reviewed before being moved to production; and
- assignment and training of a full-time staff person, as well as a backup, to be the "gatekeeper" who reviews the new or revised programs and then either moves them to production or re-evaluates them with the programmers. Since the Department has a portfolio of over 60 complex applications having dynamic technical and business requirements, these reviews would need to happen virtually every day.

The Department's strategy is to address this issue in a phased approach, using the limited resources available as effectively and efficiently as possible. Currently, the Department is focusing on improving security for those applications supporting its essential business systems. The Department hopes to be able to continue to move

toward implementing the recommendations, but given the current fiscal constraints, it will take several years to be in a position to eliminate programmers' access to production programs.

Finding WI-02-50: Programmer Access to Department of Revenue Data and Programs*

Criteria:

To provide proper internal control, computer programmers' ability to access or update production data and programs should be limited.

Condition:

In past audits, we identified concerns with the Department of Revenue's program change process, including programmers' access to move programs from test to production. Subsequent to our current audit period, the Department of Revenue purchased software and modified its procedures for making changes to production programs related to its Integrated Tax System. Further, the Department is in the process of expanding these procedures for other applications and platforms, including its mainframe applications. In past audits, we also identified concerns with programmer access to production data. The Department continues to work on its project to separate duties and implement new procedures to limit access. However, until this project is complete, programmers continue to have access to production data and programs.

Questioned Costs:

None

Context:

The Department of Revenue maintains critical systems to collect and process approximately \$12 billion in taxes annually for the State of Wisconsin, and issues tax refund checks.

Effect:

Programmers with extensive knowledge of the computer programs could make unauthorized changes to the programs and conceal those changes, resulting in undetected erroneous or fraudulent information. The ability to access or update production files increases the risk that unauthorized additions, deletions, or changes to data will be processed, resulting in erroneous or fraudulent information or transactions.

Cause:

The Department of Revenue understands the need to properly control access to data and programs and believes it will take a period of time to fully address these concerns. While significant progress has been made, procedures are not yet fully implemented for all applications.

Recommendation:

Because the Department of Revenue has made significant progress, we make no new recommendation. However, we encourage the Department of Revenue to continue its project to further control access to production data and programs.

Management's Response:

The Department of Revenue has made significant progress in segregating development work and developers from production operations and data over the past two years. It is continuing with a plan to further protect production operation from accidental or intentional alterations that have not been approved by its business partners.

The Department of Revenue uses Changeman to control access and changes to software on the mainframe computer. All software and documentation that is created or modified is reviewed and tested by the team leader for the project. Software and documentation follows a formal migration path from development through system, integration, and acceptance testing. The end products are then passed on to the Configuration Manager, who controls all access to the production repository. The Department has implemented the Rational ClearCase tool to provide the same type of support in the LAN environment. To make modifications, programmers must check out a copy of the software from the production version. Once modifications are complete, there is a formal procedure for checking the modified code back into the production repository. All check-outs and check-ins are logged. The tools support a before and after view of the code, so that the Configuration Manager can validate changes made. The changes are validated back in the acceptance test environment before the tested software can be moved to the production repository.

The Department has also made changes in incident reporting that will help reduce developer access to production data, which further allowed reduction in access to production data by application staff. Access to production data for a developer is temporarily granted if some software defect is preventing a system support function from working and the modification of some specific data will allow normal operation to resume. All such problems are reported to and logged by help desk staff, who track the incident until the application development team leader reports it fixed and the validated code is moved into the production repository.

Finding WI-02-51: Program Change Controls at the Department of Employee Trust Funds***Criteria:**

To provide proper controls over program changes, programmers should not have access to programs once testing has been completed, and an independent review of program changes should be performed to assess the reasonableness of the changes.

Condition:

Programmers retain access to modified programs after testing is completed, and the majority of program changes do not have an independent review.

Questioned Costs:

None

Context:

The Department of Employee Trust Funds is the administrator of several public employee benefit programs, including the Wisconsin Retirement System.

Effect:

Excessive access to modified programs and lack of independent review may allow programmers to make and conceal fraudulent or inappropriate changes.

Cause:

The Department of Employee Trust Funds has indicated that controls such as user testing and walk-throughs of technical changes are sufficient to mitigate the majority of risk for fraudulent program changes. Furthermore, the Department's programmers make many changes and have limited resources to review all changes.

Recommendation:

The Department of Employee Trust Funds has developed an approach to address the concerns identified and plans to implement this approach over the next few months. Therefore, we make no recommendation at this time but will follow up on these concerns during future audits to ensure they have been adequately addressed.

Finding WI-02-52: Employee Computer Access Controls at the Department of Employee Trust Funds***Criteria:**

To provide proper internal control, an entity should limit access to financial records and systems to only those individuals who need it to perform their properly separated job duties.

Condition:

The Department of Employee Trust Funds has taken steps to follow its policy for properly authorizing users since our last review. In addition, it has initiated procedures to ensure access is limited to that needed for individuals' job duties.

Questioned Costs:

None

Context:

The Department of Employee Trust Funds is the administrator of several public employee benefit programs, including the Wisconsin Retirement System.

Effect:

Inappropriate access may lead to improper creation, revision, or deletion of information.

Cause:

Excessive access may have resulted from overly broad requests for access and lack of communication of access changes when an employee either terminates or changes positions.

Recommendation:

The Department of Employee Trust Funds currently requests appropriate approvals for properly authorizing users. In addition, a supervisory review for access was performed during our last review, and the Department plans to perform annual reviews going forward. Therefore, we make no recommendation at this time but will continue to monitor these areas during future audits.

Finding WI-02-53: Disaster Recovery and Business Resumption Plan*

Criteria:

To minimize disruption that may occur in an emergency, Wisconsin state agencies should have effective disaster recovery and business resumption plans in place.

Condition:

Although most state agencies have made significant progress, the majority do not have complete disaster recovery and business resumption plans.

Questioned Costs:

None

Context:

The State has made significant progress in developing and testing the plan for recovery of the data centers at an off-site backup location, but the State needs to continue efforts for the various agencies to plan for resources needed to resume activity in the event of a disaster.

Effect:

Without effective disaster recovery and business resumption plans in place, an emergency could disrupt the State's ability to provide critical services.

Cause:

The State has not devoted sufficient resources to the development of its disaster recovery and business resumption plans.

Recommendation:

We recommend the agencies move forward to complete their disaster recovery and business resumption plans.

Management's Response:

The various agencies agree to continue their disaster recovery and business resumption planning efforts.

SECTION III—Federal Award Findings and Questioned Costs

OMB Circular A-133 requires that audit findings be presented in sufficient detail for the auditee to prepare a corrective action plan and take corrective action, and for federal agencies and pass-through entities to arrive at a management decision. The specific information that OMB Circular A-133 requires in audit findings can be found in the agency narratives included in the single audit report. The agency narratives also include the agencies' responses and corrective action plans, as well as summaries of findings and questioned costs. The agency narratives discuss the following findings in greater detail. Repeat findings from audit report 02-7 are marked with an asterisk (*).

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Wisconsin Department of Administration

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-36	14.235	Supportive Housing Program	Review of Annual Progress Reports*	\$ 4,325
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				\$ 4,325

U.S. DEPARTMENT OF JUSTICE

Wisconsin Department of Administration

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-31	16.523	Juvenile Accountability Incentive Block Grants	Involvement of the Commission	\$ 0
WI-02-32	16.523	Juvenile Accountability Incentive Block Grants	Allowable Costs and Activities	149,784
WI-02-33	16.523	Juvenile Accountability Incentive Block Grants	Time and Effort Reporting	Undetermined
WI-02-34	16.523	Juvenile Accountability Incentive Block Grants	Earmarking	0
WI-02-35	16.523	Juvenile Accountability Incentive Block Grants	Federal Reporting	0
TOTAL U.S. DEPARTMENT OF JUSTICE				\$ 149,784 Plus an Undetermined Amount

156 ■ ■ ■ ■ SCHEDULE OF FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF LABOR

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-18	17.258	WIA Adult Program	Performance Reporting	\$ 0
WI-02-20	17.258	WIA Adult Program	Federal Reporting*	0
WI-02-18	17.259	WIA Youth Activities	Performance Reporting	0
WI-02-19	17.259	WIA Youth Activities	Youth Activities Earmarking	Undetermined
WI-02-20	17.259	WIA Youth Activities	Federal Reporting*	0
WI-02-18	17.260	WIA Dislocated Workers	Performance Reporting	0
WI-02-20	17.260	WIA Dislocated Workers	Federal Reporting*	0
TOTAL U.S. DEPARTMENT OF LABOR				<u>Undetermined</u>

U.S. DEPARTMENT OF TRANSPORTATION

Wisconsin Department of Transportation

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-29	20.205	Highway Planning and Construction	Materials Testing	\$ 0
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				<u>\$ 0</u>

FEDERAL EMERGENCY MANAGEMENT AGENCY

Wisconsin Department of Military Affairs

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-37	83.544	Public Assistance Grants	Progress Reports*	\$ 0
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY				<u>\$ 0</u>

U.S. DEPARTMENT OF EDUCATION

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-16	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States	Calculation of Reimbursement Rate	\$ 0
WI-02-17	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States	Receipt of Reimbursements from SSA	0

University of Wisconsin-La Crosse

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-23	84.038	Perkins Loan Program	Collection Agencies*	\$ 0

University of Wisconsin-Oshkosh

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-25	84.063	Federal Pell Grant Program	Pell Grant Overpayments	Undetermined
WI-02-24		Various Student Financial Aid Programs	Return of Student Financial Aid Funds	\$ 1,039 Plus an Undetermined Amount
WI-02-26		Various Student Financial Aid Programs	Federal Reporting	0

University of Wisconsin-Parkside

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-27	84.033	Federal Work-Study Program	Community Service Jobs	\$ 0

University of Wisconsin-Whitewater

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-28		Various Student Financial Aid Programs	Student Eligibility and Awards	\$ 91,166

Wisconsin Department of Public Instruction

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-30	84.048	Vocational Education—Basic Grants to States	Performance Reporting*	\$ 0

TOTAL U.S. DEPARTMENT OF EDUCATION

\$ 92,205
Plus an Undetermined Amount

158 ■ ■ ■ ■ SCHEDULE OF FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Wisconsin Department of Health and Family Services

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-5	93.658	Foster Care—Title IV-E	Case File Documentation and Reviews*	Undetermined
WI-02-6	93.658	Foster Care—Title IV-E	Court Orders*	Undetermined
WI-02-7	93.658	Foster Care—Title IV-E	Unadjusted Status Changes	\$ 0
WI-02-8	93.658	Foster Care—Title IV-E	Licensing and Criminal Records Checks for Foster Care Providers*	0
WI-02-9	93.658	Foster Care—Title IV-E	Licensing and Criminal Records Checks for Group Facilities	0
WI-02-10	93.658	Foster Care—Title IV-E	Reimbursements for Child Care Agencies*	Undetermined
WI-02-11	93.658	Foster Care—Title IV-E	Reconciliation of Reimbursement Reports*	0
WI-02-12	93.658	Foster Care—Title IV-E	Retroactive Claims	Undetermined
WI-02-13	93.658	Foster Care—Title IV-E	Memorandum of Understanding with DOC	0
WI-02-14	93.767	State Children’s Insurance Program	Reconciliation of Quarterly Report to the Cash Management System	0
WI-02-10	93.778	Medical Assistance Program	Reimbursements for Child Care Agencies*	Undetermined
WI-02-14	93.778	Medical Assistance Program	Reconciliation of Quarterly Report to the Cash Management System*	0

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-21	93.563	Child Support Enforcement	Access to Critical Data Sets*	\$ 0

Wisconsin Department of Corrections

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-38	93.658	Foster Care—Title IV-E	Foster Care Case Files	\$ 44,692 Plus an Undetermined Amount
WI-02-39	93.658	Foster Care—Title IV-E	Time Study	Undetermined

TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	\$ 44,692 Plus an Undetermined Amount
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NONCOMPLIANCE FINDINGS AFFECTING MULTIPLE GRANTS

Statewide Issues

<u>Finding Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-1	Multiple Grants	Calculation of the Federal Credit	\$ 556,277 Plus an Undetermined Amount
WI-02-2	Multiple Grants	Matching Accounts	Undetermined
WI-02-3	Multiple Grants	Internal Service Fund Lapses to General Fund	Undetermined
WI-02-4	Multiple Grants	Rate Setting*	Undetermined

Wisconsin Department of Health and Family Services

<u>Finding Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-15	Multiple Grants	Suspension and Debarment Certifications*	\$ 0

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Amount Questioned</u>
WI-02-22	Multiple Grants	Public Assistance Cost Allocation Plan*	\$ 0

TOTAL NONCOMPLIANCE FINDINGS AFFECTING MULTIPLE GRANTS	\$ 556,277 Plus an Undetermined Amount
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TOTAL QUESTIONED COSTS FOR THE STATE OF WISCONSIN	\$ 847,283 Plus an Undetermined Amount
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State of Wisconsin Summary Schedule of Prior Audit Findings ■

The Summary Schedule of Prior Audit Findings summarizes the status of the audit findings reported in the State of Wisconsin Schedule of Findings and Questioned Costs for the year ended June 30, 2001 (report 02-7). If the prior audit concern was fully addressed, the Summary Schedule of Prior Audit Findings indicates that the corrective action described in the prior audit report was taken or has been materially taken, or that corrective action is no longer needed. Otherwise, there is a reference to the page number of the FY 2001-02 single audit report where a repeat recommendation, description of the planned corrective action, or reason for not implementing the recommendation is presented.

If the audit finding was repeated from prior years, the Summary Schedule of Prior Audit Findings includes the finding reference number for the first year and all subsequent years that the finding was reported. Findings begin with "WI," followed by the last two digits of the fiscal year and the prior audit finding number. Prior audit report numbers, their corresponding fiscal year, and their finding reference numbers appear as follows:

<u>Single Audit Report</u>	<u>Fiscal Year</u>	<u>Finding Reference Number</u>
02-7	FY 2001-02	WI-01-**
01-8	FY 1999-2000	WI-00-**
00-5	FY 1998-99	WI-99-**
99-12	FY 1997-98	WI-98-**
98-12	FY 1996-97	WI-97-**

162 ■ ■ ■ ■ SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**U.S. DEPARTMENT OF AGRICULTURE****Wisconsin Department of Health and Family Services**

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-8 WI-00-6 WI-99-1	10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Review of Exception Reports	Corrective action taken

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-13	10.561	State Administrative Matching Grants for Food Stamp Program	Federal Procurement Rules	Corrective action no longer needed by DWD

Wisconsin Department of Public Instruction

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-38	10.553	School Breakfast Program	Eligibility Determination	Corrective action taken
WI-01-40		Multiple Grants	Access to the Food and Nutrition System	Corrective action taken
WI-01-41		Multiple Grants	Cross-Training Staff	Corrective action taken

U.S. DEPARTMENT OF DEFENSE**Wisconsin Department of Military Affairs**

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-45 WI-00-49 WI-99-49 WI-98-42 WI-97-53	12.401	National Guard Military Operations and Maintenance Projects	Time and Effort Reporting	Materially corrected

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**Wisconsin Department of Administration**

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-42	14.235	Supportive Housing Program	Review of Annual Progress Reports	Not corrected, see page 118
WI-01-43	14.235	Supportive Housing Program	Suspension and Debarment	Corrective action taken

U.S. DEPARTMENT OF LABOR

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-10	17.255	Workforce Investment Act	Earmarking and Federal Reporting	Partially corrected, see page 60
WI-01-11	17.255	Workforce Investment Act	Reporting of Carryover JTPA Cluster Funds	Corrective action taken
WI-01-12	17.255	Workforce Investment Act	Cash Management	Corrective action taken

FEDERAL EMERGENCY MANAGEMENT AGENCY

Wisconsin Department of Military Affairs

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-44	83.544	Public Assistance Grants	Progress Reports	Not corrected, see page 121

U.S. DEPARTMENT OF EDUCATION

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-16	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States	Cash Management	Corrective action taken
WI-01-17 WI-00-21 WI-99-15	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States	Direct Payments for Client Services	Materially corrected

University of Wisconsin-Madison

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-20 WI-00-26 WI-99-24 WI-98-22	84.038	Perkins Loan Program	Loan Assignments	Corrective action taken

164 ■ ■ ■ ■ SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

University of Wisconsin-Green Bay

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-25	84.033	Federal Work-Study Program	Student Employee Time Sheets	Corrective action taken
WI-01-26	84.033	Federal Work-Study Program	Community Service Jobs	Corrective action taken
WI-01-22	84.038	Perkins Loan Program	Perkins Match	Corrective action taken
WI-01-24	84.063	Federal Pell Grant Program	Pell Grant Reconciliation	Corrective action taken
WI-01-21		Various Student Financial Aid Programs	Cash Management	Corrective action taken
WI-01-23		Various Student Financial Aid Programs	Federal Reporting	Corrective action taken

University of Wisconsin-La Crosse

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-27 WI-00-29	84.038	Perkins Loan Program	Collection Agencies	Not corrected, see page 75
WI-01-37 WI-00-30	84.038	Perkins Loan Program	Post-Deferment Grace Period Contacts	Corrective action taken

University of Wisconsin-Parkside

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-28 WI-00-36 WI-99-32	84.038	Perkins Loan Program	Loan Assignments	Corrective action taken
WI-01-29 WI-00-37 WI-99-36		Various Student Financial Aid Programs	Return of Student Financial Aid Funds	Corrective action taken

University of Wisconsin-Platteville

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-30 WI-00-39	84.063	Federal Pell Grant Program	Pell Grant Reconciliation	Corrective action taken

University of Wisconsin–River Falls

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-32	84.038	Perkins Loan Program	Post-Deferment Grace Period Contacts	Corrective action taken
WI-01-33	84.038	Perkins Loan Program	In-house Collection Efforts	Corrective action taken
WI-01-34	84.038	Perkins Loan Program	Loan Disclosures	Corrective action taken
WI-01-31		Various Student Financial Aid Programs	Return of Student Financial Aid Funds	Corrective action taken

University of Wisconsin–Stout

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-35	84.038	Perkins Loan Program	Loan Assignments	Corrective action taken

University of Wisconsin Colleges

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-36		Various Student Financial Aid Programs	Cash Management	Corrective action taken

University of Wisconsin System Administration

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-37 WI-00-30	84.038	Perkins Loan Program	Post-Deferment Grace Period Contacts	Corrective action taken

Wisconsin Department of Public Instruction

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-39	84.048	Vocational Education—Basic Grants to States	Performance Reporting	Not corrected, see page 102

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Wisconsin Department of Health and Family Services

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-1	93.658	Foster Care—Title IV-E	Licensing and Criminal Records Checks	Partially corrected, see page 36
WI-01-2 WI-00-1	93.658	Foster Care—Title IV-E	Undocumented Payments and Eligibility	Partially corrected, see page 26
WI-01-3 WI-00-2	93.658	Foster Care—Title IV-E	Court Orders	Partially corrected, see page 32
WI-01-4	93.658	Foster Care—Title IV-E	Reimbursements for Child Care Agencies	Partially corrected, see page 40
WI-01-5	93.658	Foster Care—Title IV-E	System Reimbursement Reports	Partially corrected, see page 42
WI-01-7 WI-00-7 WI-99-3 WI-98-4	93.777	State Survey and Certification of Health Care Providers and Suppliers	Reconciliation of Quarterly Report to the Cash Management System	Corrective action taken
WI-01-4	93.778	Medical Assistance Program	Reimbursements for Child Care Agencies	Partially corrected, see page 40
WI-01-7 WI-00-7 WI-99-3 WI-98-4	93.778	Medical Assistance Program	Reconciliation of Quarterly Report to the Cash Management System	Not corrected, see page 48

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-15 WI-00-9	93.558	Temporary Assistance for Needy Families	Transfers of TANF Funds to SSBG	Corrective action taken
WI-01-9	93.563	Child Support Enforcement	Undistributable Support Collections	Corrective action taken
WI-01-18 WI-00-24 WI-99-21 WI-98-14 WI-98-15 WI-98-16	93.563	Child Support Enforcement	Access to KIDS Information	Materially corrected

Wisconsin Department of Justice

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-46	93.775	State Medicaid Fraud Control Units	Time and Effort Reporting	Corrective action taken

Wisconsin Higher Educational Aids Board

<u>Finding Number</u>	<u>Catalog Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-47	93.108	Health Education Assistance Loans	Late Fee Assessments	Corrective action no longer needed

NONCOMPLIANCE FINDINGS AFFECTING MULTIPLE GRANTS

Wisconsin Department of Health and Family Services

<u>Finding Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-6	Multiple Grants	Suspension and Debarment Certifications	Not corrected, see page 51

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-14	Multiple Grants	Access to Critical Data Sets and Database Tables	Partially corrected, see page 62
WI-01-19 WI-00-25 WI-99-22 WI-98-17 WI-97-6	Multiple Grants	Public Assistance Cost Allocation Plan	Not corrected, see page 66

Wisconsin Department of Electronic Government

<u>Finding Number</u>	<u>Grant</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-48 WI-00-46 WI-99-44	Multiple Grants	Rate Setting	Partially corrected, see page 22

168 ■ ■ ■ ■ SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINANCIAL STATEMENT FINDINGS

Wisconsin Department of Workforce Development

<u>Finding Number</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-49 WI-00-51 WI-99-56	Reconciliations of Transactions and Balances in the Support Collection Trust Fund	Corrective action no longer needed

University of Wisconsin System Administration

<u>Finding Number</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-50 WI-00-52 WI-99-58 WI-98-53	Excessive Access to UW System Payroll Data	Not corrected, see page 141
WI-01-51 WI-00-53 WI-99-66 WI-98-46	Programmer Access to Critical Production Programs	Not corrected. System Administration accepts the risk in this area. See page 142
WI-01-52 WI-00-54 WI-99-59 WI-98-45 WI-97-62	Data Center Security Issues	Not corrected, see page 143

Wisconsin Department of Transportation

<u>Finding Number</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-53 WI-00-55 WI-99-66 WI-98-46	Programmer Access to Critical Production Programs	Not corrected, see page 144

Wisconsin Department of Administration

<u>Finding Number</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-54 WI-00-56 WI-99-60 WI-98-47 WI-97-63	Programmer Access to the State's Central Accounting System and Central Payroll System Data	Not corrected. The Department accepts the risk in this area. See page 145
WI-01-55 WI-00-57 WI-99-63 WI-98-50 WI-97-65	Capital Accounting Section Control Environment	Partially corrected, see page 146
WI-01-56 WI-00-58 WI-99-61 WI-98-48	Access to the State's Central Accounting System Transactions	Not corrected. The Department accepts the risk in this area. See page 147
WI-01-58 WI-00-60 WI-99-66 WI-98-46	Programmer Access to Critical Production Programs	Not corrected. The Department accepts the risk in this area. See page 148

Wisconsin Department of Natural Resources

<u>Finding Number</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-59 WI-00-61 WI-99-66 WI-98-46	Programmer Access to Critical Production Programs	Not corrected, see page 149

Wisconsin Department of Electronic Government

<u>Finding Number</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-52 WI-00-54 WI-99-59 WI-98-45	Data Center Security Issues	Partially corrected, see page 143

Wisconsin Department of Revenue

<u>Finding Number</u>	<u>Finding</u>	<u>Status of Findings</u>
WI-01-60 WI-00-62 WI-99-64 WI-98-46 WI-98-55	Programmer Access to Data and Programs	Partially corrected, see page 151

170 ■ ■ ■ ■ SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Wisconsin Department of Employee Trust Funds

<u>Finding Number</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-61 WI-00-63	Program Change Controls	Corrective action planned, see page 152
WI-01-62 WI-00-64	Employee Computer Access Controls	Corrective action planned, see page 153

Most State Agencies

<u>Finding Number</u>	<u>Finding</u>	<u>Status of Finding</u>
WI-01-63 WI-00-65 WI-99-67 WI-98-57 WI-97-69	Disaster Recovery and Business Resumption Plan	Not corrected, see page 154

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State of Wisconsin Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2002 ■

The Schedule of Expenditures of Federal Awards presents a summary of the State of Wisconsin's expenditures financed by the federal government. For the fiscal year ended June 30, 2002, the State of Wisconsin administered \$8.1 billion in federal financial assistance, consisting of \$7.4 billion in cash assistance, as presented in the schedule; \$34.2 million in noncash assistance; and \$731.8 million in outstanding loan balances, as described in Note 2 to the schedule.

As summarized on page 172, 24 state agencies, including the University of Wisconsin System, expended federal awards during FY 2001-02. These agencies administered 25 federal programs, which are listed in Note 2 to the schedule and were selected for review according to the risk-based approach required by OMB Circular A-133.

Federal programs have been classified for purposes of the schedule into three types: 1) individual federal programs and other clusters, which are presented on pages 173 through 196; 2) the research and development (R&D) cluster, presented on pages 197 through 219; and 3) the student financial aid (SFA) cluster, presented on pages 220 through 221.

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

STATE AGENCY OR CAMPUS	INDIVIDUAL PROGRAMS AND OTHER CLUSTERS	RESEARCH AND DEVELOPMENT CLUSTER	STUDENT FINANCIAL AID CLUSTER	TOTAL
SUMMARY BY STATE AGENCY OR CAMPUS FOR YEAR ENDED JUNE 30, 2002				
Department of Health and Family Services	\$ 2,959,733,787	\$ 0	\$ 0	\$ 2,959,733,787
Department of Workforce Development	2,045,179,055	0	0	2,045,179,055
Department of Transportation	677,527,804	0	0	677,527,804
Department of Public Instruction	438,442,975	0	0	438,442,975
Department of Administration	116,381,825	0	0	116,381,825
Department of Natural Resources	76,453,991	0	0	76,453,991
Department of Military Affairs	48,929,015	0	0	48,929,015
Department of Commerce	38,307,463	0	0	38,307,463
Wisconsin Technical College System Board	30,290,488	0	0	30,290,488
Department of Corrections	15,364,230	0	0	15,364,230
Department of Veterans Affairs	13,371,081	0	0	13,371,081
Department of Justice	10,466,669	0	0	10,466,669
Department of Agriculture, Trade and Consumer Protection	7,313,047	0	0	7,313,047
Higher Educational Aids Board	1,146,321	0	0	1,146,321
Wisconsin Historical Society	971,081	0	0	971,081
Wisconsin Arts Board	582,426	0	0	582,426
Child Abuse and Neglect Prevention Board	311,606	0	0	311,606
Educational Communications Board	255,496	0	0	255,496
Public Service Commission	237,290	0	0	237,290
Department of Electronic Government	69,509	0	0	69,509
Board on Aging and Long-Term Care	0	0	0	0
Department of Revenue	0	0	0	0
Department of Tourism	0	0	0	0
Total State Agencies	<u>6,481,335,159</u>	<u>0</u>	<u>0</u>	<u>6,481,335,159</u>
UW-Madison	31,351,799	350,949,470	120,018,391	502,319,660
UW-Milwaukee	8,680,641	11,163,918	72,454,323	92,298,882
UW-Eau Claire	1,930,358	445,924	27,452,223	29,828,505
UW-Green Bay	1,205,730	707,871	13,826,926	15,740,527
UW-La Crosse	2,604,737	2,286,071	27,583,624	32,474,432
UW-Oshkosh	5,792,959	383,074	23,257,391	29,433,424
UW-Parkside	1,468,525	413,222	13,629,921	15,511,668
UW-Platteville	463,001	0	16,451,341	16,914,342
UW-River Falls	1,545,812	32,753	15,035,667	16,614,232
UW-Stevens Point	3,209,642	607,585	24,078,406	27,895,633
UW-Stout	2,606,657	984,141	27,541,787	31,132,585
UW-Superior	920,687	404,749	9,922,361	11,247,797
UW-Whitewater	2,400,864	155,656	30,834,430	33,390,950
UW Colleges	1,471,139	12,219	13,848,300	15,331,658
UW-Extension	12,521,711	0	0	12,521,711
UW System Administration	1,216,382	0	0	1,216,382
Wisconsin Humanities Council	574,801	0	0	574,801
Total UW System	<u>79,965,445</u>	<u>368,546,653</u>	<u>435,935,091</u>	<u>884,447,189</u>
TOTAL STATE OF WISCONSIN	<u>\$ 6,561,300,604</u>	<u>\$ 368,546,653</u>	<u>\$ 435,935,091</u>	<u>\$ 7,365,782,348</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT:					
Subgrants:					
N/A	02.ANE-A-00-90-036; EEU-A-00-99-034	East Central European Scholars Program (from Georgetown University)	UW-La Crosse	\$ 309,805	\$ 0
U.S. OFFICE OF NATIONAL DRUG CONTROL POLICY:					
Other Federal Financial Assistance:					
N/A	07.I2PMLP; I1PMLP	High Intensity Drug Trafficking Area	DOJ	524,294	0
PEACE CORPS:					
Other Federal Financial Assistance:					
N/A	08.72.005j	Peace Corp Recruitment Strategy	UW-Stevens Point	2,600	0
U.S. DEPARTMENT OF AGRICULTURE:					
10.025		Plant and Animal Disease, Pest Control, and Animal Care	DATCP	218,877	0
10.064		Forestry Incentives Program	DNR	7,778	0
10.069		Conservation Reserve Program	DNR	100,087	0
10.072		Wetlands Reserve Program	DNR	37,498	0
10.153		Market News	DATCP	7,501	0
10.156		Federal-State Marketing Improvement Program	DATCP	15,160	0
10.162		Inspection Grading and Standardization	DATCP	23,753	0
10.163		Market Protection and Promotion	DATCP	191,909	0
10.200		Grants for Agricultural Research, Special Research Grants	UW-Madison	3,977	0
10.200		Grants for Agricultural Research, Special Research Grants	UW-Whitewater	95,821	0
10.200		Grants for Agricultural Research, Special Research Grants	UW-Extension	108,085	0
		Total Federal Program 10.200		<u>207,883</u>	<u>0</u>
10.206		Grants for Agricultural Research-Competitive Research Grants	UW-Madison	8,742	0
10.210		Food and Agricultural Sciences National Needs Graduate Fellowship Grants	UW-Madison	16,720	0
10.217		Higher Education Challenge Grants	UW-Madison	36,146	0
10.217		Higher Education Challenge Grants	UW-River Falls	47,940	0
		Total Federal Program 10.217		<u>84,086</u>	<u>0</u>
10.220		Higher Educational Multicultural Scholars Program	UW-River Falls	70	0
10.220		Higher Educational Multicultural Scholars Program	UW-Stout	9,217	0
		Total Federal Program 10.220		<u>9,287</u>	<u>0</u>
10.224		Fund for Rural America-Research, Education, and Extension Activities (from UW-Madison)	UW-Extension	8,413	0
10.302		Initiative for Future Agriculture and Food Systems	UW-Madison	478,087	226,756
10.302		Initiative for Future Agriculture and Food Systems (from UW-Madison)	UW-Extension	1,890	0
		Total Federal Program 10.302		<u>479,977</u>	<u>226,756</u>
10.303		Integrated Programs	UW-Madison	434,471	192,261
10.303		Integrated Programs (from UW-Madison)	UW-Extension	129,769	0
		Total Federal Program 10.303		<u>564,240</u>	<u>192,261</u>
10.435		State Mediation Grants	DATCP	182,100	0
10.475		Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	DATCP	3,091,222	0
10.500		Cooperative Extension Service	UW-Madison	1,745,412	0
10.500		Cooperative Extension Service (from UW-Extension)	UW-Stevens Point	12,716	0
10.500		Cooperative Extension Service (from UW-Extension)	UW-Stout	58,031	0
10.500		Cooperative Extension Service	UW-Extension	8,924,656	453,210
		Total Federal Program 10.500		<u>10,740,815</u>	<u>453,210</u>
10.550		Food Donation (Note 8)	DPI	0	0
Food Stamp Cluster:					
10.551		Food Stamps (Notes 2, 5, 6)	DWD	187,535,592	0
10.561		State Administrative Matching Grants for Food Stamp Program (Notes 2, 6)	DWD	35,817,161	26,830,828
10.561		State Administrative Matching Grants for Food Stamp Program (Note 2) (from UW-Extension)	UW-Madison	125,844	0
		Total Food Stamp Cluster		<u>223,478,597</u>	<u>26,830,828</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
		Child Nutrition Cluster:			
10.553		School Breakfast Program	DPI	10,757,769	10,757,769
10.555		National School Lunch Program	DPI	79,214,452	79,214,452
10.556		Special Milk Program for Children	DPI	1,370,838	1,370,838
10.559		Summer Food Service Program for Children	DPI	2,119,665	2,007,275
		Total Child Nutrition Cluster		<u>93,462,724</u>	<u>93,350,334</u>
10.557		Special Supplemental Nutrition Program for Women, Infants, and Children (Notes 2, 7)	DHFS	55,914,908	11,634,800
10.558		Child and Adult Care Food Program	DPI	30,293,741	29,884,049
10.560		State Administrative Expenses for Child Nutrition	DPI	1,820,220	0
10.564		Nutrition Education and Training Program	DPI	(11,061)	(10,185)
		Emergency Food Assistance Cluster:			
10.568		Emergency Food Assistance Program (Administrative Costs) (Note 9)	DHFS	575,880	364,223
10.569		Emergency Food Assistance Program (Food Commodities) (Note 9)	DHFS	0	0
		Total Emergency Food Assistance Cluster		<u>575,880</u>	<u>364,223</u>
10.570		Nutrition Services Incentive	DHFS	2,346,518	2,346,518
10.572		WIC Farmers' Market Nutrition Program	DHFS	101,368	15,537
10.574		Team Nutrition Grants	DPI	104,538	0
10.601		Market Access Program	DATCP	1,730,626	0
10.652		Forestry Research	DNR	27,954	0
10.652		Forestry Research	UW-La Crosse	326	0
		Total Federal Program 10.652		<u>28,280</u>	<u>0</u>
10.664		Cooperative Forestry Assistance	DNR	835,580	529,994
10.664		Cooperative Forestry Assistance	DATCP	606,373	0
		Total Federal Program 10.664		<u>1,441,953</u>	<u>529,994</u>
		Schools and Roads Cluster:			
10.665		Schools and Roads-Grants to States	DNR	3,763,772	3,763,772
		Total Schools and Roads Cluster		<u>3,763,772</u>	<u>3,763,772</u>
10.901		Resource Conservation and Development	DNR	73,867	0
10.902		Soil and Water Conservation	DNR	25,000	0
10.902		Soil and Water Conservation (from UW-Extension)	UW-Madison	6,869	0
10.902		Soil and Water Conservation	UW-Extension	22,007	0
		Total Federal Program 10.902		<u>53,876</u>	<u>0</u>
10.912		Environmental Quality Incentives Program	UW-Extension	21,729	0
10.950		Agricultural Statistics Reports	DATCP	74,992	0
10.960		Technical Agricultural Assistance	UW-Madison	230,084	0
10.961		Scientific Cooperation and Research	UW-River Falls	7,128	0
10.962		International Training-Foreign Participant	UW-River Falls	10,392	0
		Other Federal Financial Assistance:			
N/A	10.FSIMMA13-2	Conduct Eagle/Osprey Surveys	DNR	2,500	0
N/A	10.NEXC501; NEXC600	Monitor Chequamegon Wolf Packs	DNR	8,000	0
N/A	10.5356A601083	Nicolet/Chequamegon National Forests	DNR	101,000	0
N/A	10.999 3115-342- 1305	SR Farmer's Market Nutrition	DATCP	232,326	0
N/A	10.12-25-G-0312	FSMIP-Pasturelands	DATCP	3,681	0
N/A	10.58-8230-1-177	Agricultural Network Information Center Database	UW-Madison	3,526	0
N/A	10.AID-CSD-3204	Basic Ordering Agreement in Connection with Foreign Assistance Programs	UW-Madison	(381)	0
N/A	10.AGR dtd 9/11/00	Family Nutrition Program/ Wisconsin Nutrition Education Network (from UW-Extension)	UW-Madison	30,956	0
N/A	10.69-5F48-9- 00210	Natural Resources Conservation Service Support	UW-Madison	80,003	0
N/A	10.74-5F48-7-132	Nutrient Management Farmer Clubs	UW-Madison	(2,441)	0
N/A	10.02-CA- 11132762-076	International Seminar on Watersheds Management	UW-Stevens Point	847	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
N/A	10.000-1020-900-001	National Program Coordinator Support	UW-Extension	36,043	0
N/A	10.4278455	Trade Area Software and Development (from UW-Madison)	UW-Extension	<u>16,829</u>	<u>0</u>
		Subtotal Direct Programs		<u>432,033,069</u>	<u>169,582,097</u>
Subgrants:					
10.200	10.25-6205-0030-023	Grants for Agricultural Research, Special Research Grants (from University of Nebraska)	UW-Madison	818	0
10.217		Higher Education Challenge Grants (from Texas Tech University)	UW-Stout	10,780	0
10.303	10.103100/535956	Integrated Programs (from University of Rhode Island)	UW-Madison	60,746	0
10.500	10.25-6309-0017-007	Cooperative Extension Service (from Practical Farmers of Iowa)	UW-Madison	5,465	0
10.500	10.25-6324-0025	Cooperative Extension Service (from University of Nebraska)	UW-Platteville	7,841	0
10.902	10.68-5A12-1-0265	Soil and Water Conservation (from Natural Resources Conservation Service)	UW-Extension	20,567	0
N/A	10.P514834	UV-B Monitoring (from Colorado State University)	DNR	6,508	0
N/A	10.AGR dtd 12/20/00; 1/22/02	Various Subgrants (from Cooperative Development Services)	UW-Madison	28,565	0
		Subtotal Subgrants		<u>141,290</u>	<u>0</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE				<u>432,174,359</u>	<u>169,582,097</u>
U.S. DEPARTMENT OF COMMERCE:					
11.303		Economic Development-Technical Assistance	UW-Stout	102,870	0
11.407		Interjurisdictional Fisheries Act of 1986	DNR	9,028	0
11.417		Sea Grant Support (from UW-Madison)	UW-Milwaukee	6,365	0
11.417		Sea Grant Support (from UW-Madison)	UW Colleges	<u>88,285</u>	<u>0</u>
		Total Federal Program 11.417		<u>94,650</u>	<u>0</u>
11.419		Coastal Zone Management Administration Awards	DOA	2,496,857	2,105,956
11.473		Coastal Services Center	UW-Superior	20,764	0
11.550		Public Telecommunications Facilities-Planning and Construction	ECB	255,496	0
11.550		Public Telecommunications Facilities-Planning and Construction	UW-La Crosse	120,422	0
11.550		Public Telecommunications Facilities-Planning and Construction	UW-Extension	<u>391,576</u>	<u>0</u>
		Total Federal Program 11.550		<u>767,494</u>	<u>0</u>
11.609		Measurement and Engineering Research and Standards	UW-Stout	81,564	0
11.611		Manufacturing Extension Partnership (from UW-Extension)	UW-Madison	110,649	0
11.611		Manufacturing Extension Partnership	UW-Stout	<u>485,659</u>	<u>80,575</u>
		Total Federal Program 11.611		<u>596,308</u>	<u>80,575</u>
		Subtotal Direct Programs		<u>4,169,535</u>	<u>2,186,531</u>
Subgrants:					
11.430		Undersea Research (from University of Connecticut)	UW-Milwaukee	(738)	0
11.552		Technology Opportunities (from Northwest Side Community Development Corporation)	UW-Milwaukee	59,260	0
11.611		Manufacturing Extension Partnership (from Wisconsin Center for Manufacturing and Productivity, Inc.)	UW-Stout	144,848	61,150
11.611	11.AGR dtd 7/26/00	Manufacturing Extension Partnership (from Wisconsin Center for Manufacturing and Productivity, Inc.)	UW-Extension	105,285	0
		Subtotal Subgrants		<u>308,655</u>	<u>61,150</u>
TOTAL U.S. DEPARTMENT OF COMMERCE				<u>4,478,190</u>	<u>2,247,681</u>
U.S. DEPARTMENT OF DEFENSE:					
12.105		Protection of Essential Highways, Highway Bridge Approaches, and Public Works	DOT	7,621,383	0
12.113		State Memorandum of Agreement Program for the Reimbursement of Technical Services	DNR	91,062	0
12.401		National Guard Military Operations and Maintenance Projects	DMA	18,997,725	0
12.401		National Guard Military Operations and Maintenance Projects	DVA	<u>134,858</u>	<u>0</u>
		Total Federal Program 12.401		<u>19,132,583</u>	<u>0</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
12.404		National Guard Civilian Youth Opportunities	DMA	1,757,187	0
12.420		Military Medical Research and Development	UW-Madison	55,879	0
Other Federal Financial Assistance:					
N/A	12.N3569795	Troops to Teachers	DVA	54,432	0
	MDPMIPR				
Subtotal Direct Programs				28,712,526	0
Subgrants:					
N/A	12.AGR dtd	45th Annual Junior Sciences, Engineering and Humanities Symposium (from	UW-Madison	12,201	0
	10/18/01	Academy of Applied Science)			
N/A	12.AGR dtd	National Defense Science and Engineering Graduate Fellowship Program (from	UW-Madison	62,030	0
	3/28/00; 9/27/01	American Society for Engineering Education)			
N/A	12.DAAG55-98-1-	Western Wisconsin Upper Michigan Symposium (from Academy of Applied	UW-La Crosse	6,688	0
	0468	Science)			
Subtotal Subgrants				80,919	0
TOTAL U.S. DEPARTMENT OF DEFENSE				28,793,445	0
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:					
14.171		Manufactured Home Construction and Safety Standards	Commerce	54,644	0
14.228		Community Development Block Grants/State's Program (Note 10)	Commerce	36,659,326	35,582,011
14.231		Emergency Shelter Grants Program	DOA	1,827,308	1,744,640
14.235		Supportive Housing Program	DOA	3,408,895	3,256,395
14.239		HOME Investment Partnerships Program	DOA	10,951,235	10,022,708
14.241		Housing Opportunities for Persons with AIDS	DOA	147,613	138,944
14.243		Opportunities for Youth-Youthbuild Program	DOA	134,511	134,877
14.900		Lead-Based Paint Hazard Control in Privately-Owned Housing	DHFS	15,683	2,000
14.900		Lead-Based Paint Hazard Control in Privately-Owned Housing	DOA	1,686,384	1,545,709
Total Federal Program 14.900				1,702,067	1,547,709
Other Federal Financial Assistance:					
N/A	14.WILHH0081	Wisconsin Healthy Homes Initiative	UW-Madison	230,057	0
N/A	14.COPC-WI-97-	Establishing a Community-University Outreach Partnership in Racine and	UW-Parkside	147,622	0
	021; 024	Kenosha Counties			
N/A	14.H(502)6016	Housing Debt Service	UW-Stevens Point	28,632	0
N/A	14.H(502)3507	Federal Debt Service Subsidy	UW-Stout	168	0
Subtotal Direct Programs				55,292,078	52,427,284
Subgrants:					
14.218		Community Development Block Grants/Entitlement Grants (from City of	UW-Milwaukee	15,000	0
		Milwaukee)			
14.218	14.3UW2/202880;	Community Development Block Grants/Entitlement Grants (from Housing	UW-Extension	2,111	0
	200648	Authority of City of Milwaukee)			
14.218	14.AGR dtd	Community Development Block Grants/Entitlement Grants (from Waukesha	UW-Extension	42,145	0
	1/2/02	County)			
14.506		General Research and Technology Activity (from University Consortium for	UW-Milwaukee	39,388	0
		Geographic Information Science)			
Subtotal Subgrants				98,644	0
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				55,390,722	52,427,284
U.S. DEPARTMENT OF THE INTERIOR:					
Fish and Wildlife Cluster:					
15.605		Sport Fish Restoration (Note 5)	DNR	7,949,028	230,613
15.611		Wildlife Restoration (Note 5)	DNR	6,339,298	0
Total Fish and Wildlife Cluster				14,288,326	230,613
15.614		Coastal Wetlands Planning, Protection and Restoration Act	DNR	190,197	0
15.615		Cooperative Endangered Species Conservation Fund	DNR	158,449	114,000
15.616		Clean Vessel Act	DNR	49,939	0
15.617		Wildlife Conservation and Appreciation	DNR	207,046	0
15.617		Wildlife Conservation and Appreciation	UW-Madison	6,857	0
Total Federal Program 15.617				213,903	0
15.618		Administrative Grants for Federal Aid in Sport Fish and Wildlife Restoration	UW-Stevens Point	4,243	0
15.628		Multi-State Conservation Grants	UW-Stevens Point	136,608	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
15.808		U.S. Geological Survey-Research and Data Acquisition	UW-La Crosse	536	0
15.808		U.S. Geological Survey-Research and Data Acquisition	UW-Extension	4,069	0
		Total Federal Program 15.808		4,605	0
15.809		National Spatial Data Infrastructure Cooperative Agreements Program	UW-Madison	34,847	0
15.810		National Cooperative Geologic Mapping Program	UW-Extension	166,640	2,346
15.904		Historic Preservation Fund Grants-In-Aid	WHS	844,092	164,377
15.916		Outdoor Recreation-Acquisition, Development and Planning	DNR	843,073	0
15.978		Upper Mississippi River System Long Term Resource Monitoring Program	DNR	356,917	0
Other Federal Financial Assistance:					
N/A	15.301811g102	Brook Trout-Whittlesy Creek	DNR	5,000	0
N/A	15.301811g066	Baird Creek/East River	DNR	3,292	0
N/A	15.301819G012	Duck Production Study	DNR	30,703	0
N/A	15.AGF50-06-001; BIA	Forest Management Service-Indian Lands	DNR	54,780	0
N/A	15.301810G043	Genotype Seed Nurseries	DNR	5,043	0
N/A	15.1443CA628197006	Ice Age Reserve	DNR	1,612,000	0
N/A	15.301811J203	Massasauga Rattlesnake	DNR	6,719	0
N/A	15.1448-9821097	NAWCA-GHRA Phase II	DNR	629	0
N/A	15.1448-9821099	NAWCA-GHRA Phase III	DNR	684,165	0
N/A	15.1448-996902-II	NAWCA-South East Coastal II	DNR	216,312	0
N/A	15.301810J079	Remnant Prairies	DNR	2,024	0
N/A	15.1448-3981104	St. Croix Zebra Mussel	DNR	7,782	0
N/A	15.1448-99-M010A	Winged Mapleleaf	DNR	4,983	0
N/A	15.1448-98210-99-G37	Woodcock Lead Study	DNR	1,613	0
N/A	15.PAA997004	Bureau of Land Management Youth Riparian Education Initiative	UW-Madison	(215)	0
N/A	15.AGR dtd 7/20/99; 8/7/00; 9/21/01	Intergovernmental Personnel Assignment Agreements	UW-Madison	892	0
N/A	15.H6063A00001	Midwest Region GIS Field Technical Support Center	UW-Madison	119,002	0
N/A	15.FFA	Internship U.S. Fish and Wildlife Service	UW-Stevens Point	557	0
N/A	15.301810J064	Breeding Bird Monitoring Program	UW-Extension	2,536	0
		Subtotal Direct Programs		20,049,656	511,336
N/A	15.AGR dtd 1/31/02	Subgrants: Project Agreement (from Great Lakes Indian Fish and Wildlife Commission)	UW-Madison	5,050	0
		TOTAL U.S. DEPARTMENT OF THE INTERIOR		20,054,706	511,336
U.S. DEPARTMENT OF JUSTICE:					
16.000		State Forfeiture Sharing	DOT	80,832	0
16.000		State Forfeiture Sharing	DOJ	437,562	0
		Total Federal Program 16.000		518,394	0
16.007		State Domestic Preparedness Equipment Support Program	DOA	29,272	0
16.007		State Domestic Preparedness Equipment Support Program	DMA	691,772	647,830
16.007		State Domestic Preparedness Equipment Support Program	DOJ	14,995	0
		Total Federal Program 16.007		736,039	647,830
16.203		Sex Offender Management Discretionary Grant	DOC	18,168	0
16.523		Juvenile Accountability Incentive Block Grants (Note 2)	DOA	4,936,741	4,533,035
16.540		Juvenile Justice and Delinquency Prevention-Allocation to States	DOA	1,355,566	1,178,163
16.541		Juvenile Justice and Delinquency Prevention-Special Emphasis	DOA	139,768	102,508
16.543		Missing Children's Assistance	DOJ	238,017	0
16.548		Title V-Delinquency Prevention Program	DOA	624,018	622,791
16.549		Part E-State Challenge Activities	DOA	110,502	110,502
16.550		State Justice Statistics Program for Statistical Analysis Centers	DOA	34,750	5,629

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
16.554		National Criminal History Improvement Program	DOA	411,122	411,122
16.554		National Criminal History Improvement Program	DOJ	35,668	0
		Total Federal Program 16.554		<u>446,790</u>	<u>411,122</u>
16.560		National Institute of Justice Research, Evaluation, and Development Project Grants	DOJ	152,811	0
16.563		Corrections and Law Enforcement Family Support	DOC	17,930	0
16.564		Crime Laboratory Improvement-Combined Offender DNA Index System Backlog Reduction	DOJ	304,916	0
16.575		Crime Victim Assistance	DOJ	5,615,900	5,355,628
16.576		Crime Victim Compensation	DOJ	582,158	0
16.579		Byrne Formula Grant Program	DOA	9,543,530	9,223,117
16.580		Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	DOJ	1,269,653	0
16.580		Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	DEG	69,509	0
		Total Federal Program 16.580		<u>1,339,162</u>	<u>0</u>
16.586		Violent Offender Incarceration and Truth in Sentencing Incentive Grants	DOC	10,497,687	0
16.588		Violence Against Women Formula Grants	DOA	2,878,675	2,615,479
16.589		Rural Domestic Violence and Child Victimization Enforcement Grant Program	DOA	656,008	623,134
16.592		Local Law Enforcement Block Grants Program	DOA	892,239	878,660
16.593		Residential Substance Abuse Treatment for State Prisoners	DOA	1,086,185	1,053,461
16.606		State Criminal Alien Assistance Program (Note 11)	DOC	4,550,338	0
16.607		Bulletproof Vest Partnership Program	DOT	10,159	10,461
16.710		Public Safety Partnership and Community Policing Grants	UW-Green Bay	20,836	0
16.710		Public Safety Partnership and Community Policing Grants	UW-Stout	(13)	0
		Total Federal Program 16.710		<u>20,823</u>	<u>0</u>
16.712		Police Corps	DOA	1,562,806	1,380,535
16.727		Enforcing Underage Drinking Laws Program	DOT	554,785	497,654
16.733		National Incident Based Reporting System	DOA	182,835	126,092
Other Federal Financial Assistance:					
N/A	16.98-DD-BX-29	Byrne Evaluation Partnership Program	DOA	24,849	24,849
N/A	16.2002-99; 2001-101	Domestic Cannabis Eradication/Suppression Program	DOJ	274,426	112,461
N/A	16.39-731021K	Drug Enforcement Administration-State and Local Task Force Agreement	DOJ	5,552	0
N/A	16.GLWIE096	Organized Crime Drug Enforcement Task Forces	DOJ	37,678	0
N/A	16.	Process Evaluation of Weed and Seed Program	UW-Parkside	7,500	0
		Subtotal Direct Programs		<u>49,957,705</u>	<u>29,513,111</u>
Subgrants:					
16.523		Juvenile Accountability Incentive Block Grants (Note 2) (from City of Oshkosh)	UW-Oshkosh	17,822	0
16.540		Juvenile Justice and Delinquency Prevention-Allocation to States (from Winnebago County)	UW-Oshkosh	1,682	0
16.544		Gang-Free Schools and Communities-Community-Based Gang Intervention (from Boys and Girls Club)	UW-La Crosse	12,773	0
16.548		Title V-Delinquency Prevention Program (from Winnebago County)	UW-Oshkosh	95,600	0
N/A	16.AGR dtd 9/13/99	Victim Advocate Project (from Racine County Office of the District Attorney)	UW-Parkside	6,591	0
N/A	16.J41003C-0029	Oxford Prison Educational Program (from Federal Correction Institute-Oxford)	UW Colleges	83,490	0
		Subtotal Subgrants		<u>217,958</u>	<u>0</u>
		TOTAL U.S. DEPARTMENT OF JUSTICE		<u>50,175,663</u>	<u>29,513,111</u>
U.S. DEPARTMENT OF LABOR:					
17.002		Labor Force Statistics	DWD	1,777,359	0
17.005		Compensation and Working Conditions	DWD	75,813	0
17.203		Labor Certification for Alien Workers	DWD	192,680	0
Employment Services Cluster:					
17.207		Employment Service	DWD	16,370,068	0
17.801		Disabled Veterans' Outreach Program	DWD	1,614,631	0
17.804		Local Veterans' Employment Representative Program	DWD	1,495,978	0
		Total Employment Services Cluster		<u>19,480,677</u>	<u>0</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
17.225		Unemployment Insurance (Notes 2, 12)	DWD	1,125,078,278	0
17.235		Senior Community Service Employment Program	DHFS	2,226,707	2,041,582
17.245		Trade Adjustment Assistance-Workers	DWD	13,588,624	0
17.249		Employment Services and Job Training Pilots-Demonstrations and Research	DWD	90,266	0
JTPA Cluster:					
17.250		Job Training Partnership Act	DWD	(33,241)	0
17.246		Employment and Training Assistance-Dislocated Workers	DWD	989,176	961,933
17.246		Employment and Training Assistance-Dislocated Workers	UW-Superior	205,878	0
Total JTPA Cluster				<u>1,161,813</u>	<u>961,933</u>
17.253		Welfare-to-Work Grants to States and Localities (Note 2)	DWD	4,293,912	4,238,953
WIA Cluster:					
17.258		WIA Adult Program (Notes 2, 13)	DWD	10,007,962	9,261,699
17.259		WIA Youth Activities (Notes 2, 13)	DWD	9,093,831	8,440,853
17.260		WIA Dislocated Workers (Notes 2, 13)	DWD	16,885,863	11,956,080
Total WIA Cluster				<u>35,987,656</u>	<u>29,658,632</u>
17.263		Youth Opportunity Grants	UW-Parkside	571,033	0
17.502		Occupational Safety and Health-Susan Harwood Training Grants	UW-Milwaukee	3,866	0
17.504		Consultation Agreements	DHFS	2,657,784	0
17.504		Consultation Agreements	DWD	83,062	0
17.504		Consultation Agreements	Commerce	665,270	0
Total Federal Program 17.504				<u>3,406,116</u>	<u>0</u>
17.600		Mine Health and Safety Grants	Commerce	202,408	0
17.802		Veterans' Employment Program	DWD	14,512	0
Other Federal Financial Assistance:					
N/A	17.E9454655	Basic Assistance Grant	DWD	(567)	0
N/A	17.	Occupational Health Nursing Internship	UW-Milwaukee	7,507	0
N/A	17.	Youth Research Project	UW-Parkside	18,004	0
N/A	17.E-9-4-0-0007	Youth Leadership Forum	UW-Whitewater	3,360	0
Subtotal Direct Programs				<u>1,208,180,024</u>	<u>36,901,100</u>
Subgrants:					
17.258		WIA Adult Program (Note 2) (from Fox Valley Workforce Development Board)	UW-Oshkosh	43,780	0
17.259	17.WEOP-ABC	WIA Youth Activities (Note 2) (from North Central Community Action Program)	DPI	4,599	0
17.259		WIA Youth Activities (Note 2) (from Private Industry Council, Inc.)	UW-Milwaukee	11,448	0
17.259		WIA Youth Activities (Note 2) (from Fox Valley Workforce Development Board)	UW-Oshkosh	201,550	0
17.259	17.01-110A; 02-110	WIA Youth Activities (Note 2) (from Racine County Human Services Department)	UW-Extension	22,594	8,485
17.263		Youth Opportunity Grants (from Private Industry Council, Inc.)	UW-Milwaukee	26,785	0
N/A	17.	Workforce Development Center (from Racine County Human Services Department)	UW-Parkside	131,225	0
Subtotal Subgrants				<u>441,981</u>	<u>8,485</u>
TOTAL U.S. DEPARTMENT OF LABOR				<u>1,208,622,005</u>	<u>36,909,585</u>
U.S. DEPARTMENT OF STATE:					
19.415		Professional Exchanges-Annual Open Grant	UW-Parkside	35,058	0
Other Federal Financial Assistance:					
N/A	19.IA-ASDH-G8190316	Develop Courses and Collaborative Projects with the Far Eastern State University Law Institute	UW-Madison	86,045	0
N/A	19.	European and American Politics	UW-Parkside	4,990	0
N/A	19.	Junior Faculty Development Program	UW-Parkside	1,400	0
Subtotal Direct Grants				<u>127,493</u>	<u>0</u>
Subgrants:					
19.420		Cooperative Grants (from Association of International Educators)	UW-Milwaukee	5,529	0
N/A	19.AGR dtd 10/4/01	Program for Study of Eastern Europe and the Independent States of the Former Soviet Union (from Social Science Research Council)	UW-Madison	7,252	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
N/A	19.AGR dtd 7/13/00; 7/24/01; 8/16/02: 8/22/01	Community College Programs (from Youth for Understanding International Exchange)	UW Colleges	311,885	0
		Subtotal Subgrants		<u>324,666</u>	<u>0</u>
		TOTAL U.S. DEPARTMENT OF STATE		<u>452,159</u>	<u>0</u>
		U.S. DEPARTMENT OF TRANSPORTATION:			
20.005		Boating Safety Financial Assistance	DNR	2,223,613	1,400,000
20.106		Airport Improvement Program (Note 2)	DOT	39,282,802	4,664,147
		Highway Planning and Construction Cluster:			
20.205		Highway Planning and Construction (Notes 2, 14, 15)	DOT	583,835,193	7,979,112
		Total Highway Planning and Construction Cluster		<u>583,835,193</u>	<u>7,979,112</u>
20.218		National Motor Carrier Safety	DOT	5,036,412	0
20.219		Recreational Trails Program	DNR	641,001	176,843
20.308		Local Rail Freight Assistance (Note 15)	DOT	0	0
		Federal Transit Cluster:			
20.500		Federal Transit-Capital Investment Grants	DOT	9,364,943	9,174,121
20.507		Federal Transit-Formula Grants	DOT	6,977,724	6,400,934
		Total Federal Transit Cluster		<u>16,342,667</u>	<u>15,575,055</u>
20.505		Federal Transit-Metropolitan Planning Grants	DOT	967,033	29,683
20.509		Formula Grants for Other Than Urbanized Areas	DOT	10,044,480	9,642,801
20.513		Capital Assistance Program for Elderly Persons and Persons with Disabilities	DOT	2,429,556	2,340,145
20.516		Job Access-Reverse Commute	DOT	2,763,065	2,763,065
		Highway Safety Cluster:			
20.600		State and Community Highway Safety	DOT	5,886,345	1,556,427
20.601		Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	DOT	2,574,246	1,362,385
20.604		Safety Incentive Grants for Use of Seatbelts	DOT	98,846	0
		Total Highway Safety Cluster		<u>8,559,437</u>	<u>2,918,812</u>
20.700		Pipeline Safety	PSC	237,290	0
20.703		Interagency Hazardous Materials Public Sector Training and Planning Grants	DMA	307,248	194,104
		Other Federal Financial Assistance:			
N/A	20.5556-00-73	Military Ridge Trail-ISTEA	DNR	137,153	0
N/A	20.18 Mile	USH 63/18 Mile Creek Culvert	DNR	1,634	0
N/A	20.DDEGFP-98-X-725; DDEGRD-01-X-414	Dwight David Eisenhower Fellowship	UW-Madison	33,465	0
		Subtotal Direct Programs		<u>672,842,049</u>	<u>47,683,767</u>
		Subgrants:			
20.601		Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants (from Waukesha County)	UW-Whitewater	5,175	0
N/A	20.F32-6820UWM	Freight Forecasting Course (from Cambridge Systematics)	UW-Milwaukee	262	0
		Subtotal Subgrants		<u>5,437</u>	<u>0</u>
		TOTAL U.S. DEPARTMENT OF TRANSPORTATION		<u>672,847,486</u>	<u>47,683,767</u>
		U.S. DEPARTMENT OF THE TREASURY:			
21.008		Low-Income Taxpayer Clinics	UW-Milwaukee	45,314	0
		U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION:			
30.002		Employment Discrimination-State and Local Fair Employment Practices Agency Contracts	DWD	984,598	0
		FEDERAL MEDIATION AND CONCILIATION SERVICE:			
34.002		Labor Management Cooperation	DWD	(921)	0
		U.S. GENERAL SERVICES ADMINISTRATION:			
39.003		Donation of Federal Surplus Personal Property (Note 16)	DOA	0	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
43.001		NATIONAL AERONAUTICS AND SPACE ADMINISTRATION: Aerospace Education Services Program	UW-La Crosse	(968)	0
		Other Federal Financial Assistance:			
N/A	43.NAG5-9028	Earth Science Component for Academic Professional Enhancement	UW-Madison	51,938	0
N/A	43.AGR dtd 3/19/01; 2/28/02	Intergovernmental Personnel Assignment Agreement	UW-Madison	157,669	0
N/A	43.AGR dtd 2/29/00	Scopes for Schools (from UW-Milwaukee)	UW-Madison	6,050	0
N/A	43.AGR dtd 3/2/00	Universe in the Park (from UW-Milwaukee)	UW-Madison	1,258	0
		Subtotal Direct Programs		<u>215,947</u>	<u>0</u>
		Subgrants:			
N/A	43.1230253	SIRTF Glimpse Legacy Education and Public Outreach Program (from Jet Propulsion Laboratory)	UW-Madison	2,747	0
N/A	43.UWM4301	2001 NASA Sharp Plus Research Apprenticeship Program (from Quality Education for Minorities Network)	UW-Madison	43,659	0
N/A	43.HST-EO-09126.05-A	Galactic Astronomy, Matter, and Energy: Outreach Strategy (from Space Telescope Science Institute)	UW-Madison	14,049	0
		Subtotal Subgrants		<u>60,455</u>	<u>0</u>
		TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		<u>276,402</u>	<u>0</u>
		NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES:			
45.024		Promotion of the Arts-Grants to Organizations and Individuals	UW-Milwaukee	1,606	0
45.024		Promotion of the Arts-Grants to Organizations and Individuals	UW-Extension	40,543	0
		Total Federal Program 45.024		<u>42,149</u>	<u>0</u>
45.025		Promotion of the Arts-Partnership Agreements	Arts Board	582,426	165,053
45.026		Promotion of the Arts-Leadership Initiatives	WHS	39,952	0
45.129		Promotion of the Humanities-Federal/State Partnership	WHS	(44)	0
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW-Milwaukee	1,936	0
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW-Eau Claire	(1,852)	0
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW-Green Bay	(411)	0
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW-La Crosse	367	0
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW-River Falls	(1,016)	0
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW-Superior	1,561	0
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW Colleges	5,102	0
45.129		Promotion of the Humanities-Federal/State Partnership (Note 2)	Wis Humanities Council	574,801	0
		Total Federal Program 45.129		<u>580,444</u>	<u>0</u>
45.130		Promotion of the Humanities-Challenge Grants	UW-Whitewater	405	0
45.149		Promotion of the Humanities-Division of Preservation and Access	WHS	(2,250)	0
45.162		Promotion of the Humanities-Education Development and Demonstration	UW-Madison	16,743	0
45.162		Promotion of the Humanities-Education Development and Demonstration	UW-Eau Claire	1,082	0
45.162		Promotion of the Humanities-Education Development and Demonstration	UW-River Falls	92,451	0
		Total Federal Program 45.162		<u>110,276</u>	<u>0</u>
45.163		Promotion of the Humanities-Seminars and Institutes	UW-Milwaukee	20,862	0
45.163		Promotion of the Humanities-Seminars and Institutes	UW-River Falls	88,039	0
		Total Federal Program 45.163		<u>108,901</u>	<u>0</u>
45.301		Institute of Museum and Library Services	DVA	47,192	0
45.310		State Library Program	DPI	2,811,610	1,087,450
45.312		Institute of Museum and Library Services-National Leadership Grants	UW-Milwaukee	(2,921)	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
Other Federal Financial Assistance:					
N/A	45.IC-10047-01	Conservation Treatment of Ten Paintings	UW-Madison	20,514	0
N/A	45.FY01-016-99	Folklore of Homeland and Diaspora: Slavic and East European World (from Wisconsin Humanities Council)	UW-Madison	2,000	0
N/A	45.IG-00408-00	General Operating Support	UW-Madison	59,444	0
N/A	45.FY00-091-99	Jane Austen in the 21st Century (from Wisconsin Humanities Council)	UW-Madison	748	0
N/A	45.IC-01-02-0065 02	Painting Conservation Survey and Frame	UW-Madison	620	0
Subtotal Direct Programs				4,401,510	1,252,503
Subgrants:					
N/A	45.AGR dtd 12/1/00	Preservation Project (from Committee on Institutional Cooperation)	UW-Madison	47,955	0
N/A	45.AGR dtd 3/13/00	Classical Band (from Mid America Arts Alliance)	UW Colleges	2,000	0
Subtotal Subgrants				49,955	0
TOTAL NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES				4,451,465	1,252,503
NATIONAL SCIENCE FOUNDATION:					
47.049		Mathematical and Physical Sciences	UW-Madison	37,077	0
47.049		Mathematical and Physical Sciences	UW-Eau Claire	112,070	0
47.049		Mathematical and Physical Sciences	UW-La Crosse	28,021	0
47.049		Mathematical and Physical Sciences	UW-Oshkosh	109,283	0
Total Federal Program 47.049				286,451	0
47.070		Computer and Information Science and Engineering	UW-Madison	112,060	0
47.075		Social, Behavioral, and Economic Sciences	UW-Whitewater	56,373	0
47.076		Education and Human Resources	UW-Madison	513,303	0
47.076		Education and Human Resources	UW-Milwaukee	240,394	14,925
47.076		Education and Human Resources	UW-Eau Claire	779	0
47.076		Education and Human Resources	UW-La Crosse	71,224	0
47.076		Education and Human Resources	UW-Oshkosh	3,250	0
47.076		Education and Human Resources	UW-Parkside	169,000	0
47.076		Education and Human Resources	UW-Platteville	12,552	0
47.076		Education and Human Resources	UW-River Falls	115,608	0
47.076		Education and Human Resources (from UW-Madison)	UW-River Falls	(11,491)	0
47.076		Education and Human Resources	UW-Stevens Point	36,922	0
Total Federal Program 47.076				1,151,541	14,925
Subtotal Direct Programs				1,606,425	14,925
Subgrants:					
47.049	47.USM- 0111717106-BIO	Mathematical and Physical Sciences (from University of Southern Mississippi)	UW-Stevens Point	22,836	0
47.050	47.AGR dtd 5/29/01	Geosciences (from Association of American State Geologists)	UW-Extension	3,300	0
47.076	47.AGR dtd 5/18/01; 205-03J	Education and Human Resources (from Milwaukee School of Engineering)	UW-Madison	36,095	0
47.076		Education and Human Resources (from Louisiana State University)	UW-La Crosse	634	0
47.076		Education and Human Resources (from Milwaukee Area Technical College)	UW-Stout	19,617	0
47.076	47.	Education and Human Resources (from LCO Ojibwa College)	UW-Superior	18,797	0
Subtotal Subgrants				101,279	0
TOTAL NATIONAL SCIENCE FOUNDATION				1,707,704	14,925
U.S. SMALL BUSINESS ADMINISTRATION:					
59.005		Business Development Assistance to Small Business	UW-Eau Claire	(3,000)	0
59.005		Business Development Assistance to Small Business	UW-Stevens Point	2	0
Total Federal Program 59.005				(2,998)	0
59.037		Small Business Development Center (from UW-Extension)	UW-Madison	95,931	0
59.037		Small Business Development Center (from UW-Extension)	UW-Milwaukee	23,299	0
59.037		Small Business Development Center (from UW-Extension)	UW-Eau Claire	(566)	0
59.037		Small Business Development Center (from UW-Extension)	UW-Green Bay	76,776	0
59.037		Small Business Development Center (from UW-Extension)	UW-La Crosse	103,538	0
59.037		Small Business Development Center (from UW-Extension)	UW-Oshkosh	(17,829)	0
59.037		Small Business Development Center (from UW-Extension)	UW-Parkside	40,655	0
59.037		Small Business Development Center (from UW-Extension)	UW-Platteville	2,390	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
59.037		Small Business Development Center (from UW-Extension)	UW-River Falls	1,135	0
59.037		Small Business Development Center (from UW-Extension)	UW-Stevens Point	17,305	0
59.037		Small Business Development Center (from UW-Extension)	UW-Superior	(1,494)	0
59.037		Small Business Development Center (from UW-Extension)	UW-Whitewater	263,843	0
59.037		Small Business Development Center	UW-Extension	1,606,428	0
		Total Federal Program 59.037		<u>2,211,411</u>	<u>0</u>
TOTAL U.S. SMALL BUSINESS ADMINISTRATION				<u>2,208,413</u>	<u>0</u>
SMITHSONIAN INSTITUTION:					
Other Federal Financial Assistance:					
N/A	60.F9936CC10615	Intergovernmental Personnel Assignment Agreement to Provide Onsite Expertise and Advisement	UW-Madison	95,531	0
U.S. DEPARTMENT OF VETERANS AFFAIRS:					
64.005		Grants to States for Construction of State Home Facilities	DVA	199,280	0
64.014		Veterans State Domiciliary Care	DVA	655,564	0
64.015		Veterans State Nursing Home Care	DVA	10,713,911	0
64.024		VA Homeless Providers Grant and Per Diem Program	DVA	332,700	0
64.101		Burial Expenses Allowance for Veterans	DVA	68,219	0
64.124		All-Volunteer Force Educational Assistance	DWD	114,105	0
64.203		State Cemetery Grants	DVA	950,407	0
Other Federal Financial Assistance:					
N/A	64.V101(223B) P-4066	Reimbursement Contract-Educational Approval Board	DVA	193,768	0
N/A	64.AGR dtd 2/1/00 - 5/3/02	Intergovernmental Personnel Assignment Agreements	UW-Madison	484,449	0
N/A	64.V69DP-3262	Specialized Radiologist Services	UW-Madison	195,354	0
TOTAL U.S. DEPARTMENT OF VETERANS AFFAIRS				<u>13,907,757</u>	<u>0</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY:					
66.001		Air Pollution Control Program Support (Note 2)	DNR	2,109,497	0
66.032		State Indoor Radon Grants	DHFS	223,075	171,288
66.432		State Public Water System Supervision (Note 2)	DNR	3,292,906	0
66.433		State Underground Water Source Protection	DNR	84,600	0
66.454		Water Quality Management Planning	DNR	364,052	97,333
66.458		Capitalization Grants for State Revolving Funds (Note 17)	DNR	8,520,912	7,082,474
66.460		Nonpoint Source Implementation Grants	DNR	2,991,939	2,379,127
66.461		Wetlands Grants	DNR	81,059	0
66.463		Water Quality Cooperative Agreements	DNR	581,952	51,952
66.467		Wastewater Operator Training Grant Program (Technical Assistance)	DNR	39,000	0
66.468		Capitalization Grants for Drinking Water State Revolving Fund (Note 17)	DNR	14,939,196	12,201,090
66.469		Great Lakes Program	DHFS	998	0
66.469		Great Lakes Program	DNR	366,955	0
66.469		Great Lakes Program	UW-Extension	68,157	27,735
		Total Federal Program 66.469		<u>436,110</u>	<u>27,735</u>
66.472		Beach Monitoring and Notification Program Development Grants	DNR	20,044	0
66.500		Environmental Protection Consolidated Research	DHFS	247,991	208,903
66.500		Environmental Protection Consolidated Research	DNR	620,389	0
66.500		Environmental Protection Consolidated Research (from UW-Madison)	UW-Extension	6,070	0
		Total Federal Program 66.500		<u>874,450</u>	<u>208,903</u>
66.605		Performance Partnership Grants	DNR	8,197,100	725,279
66.605		Performance Partnership Grants	DATCP	481,210	0
		Total Federal Program 66.605		<u>8,678,310</u>	<u>725,279</u>
66.606		Surveys, Studies, Investigations and Special Purpose Grants	DHFS	18,589	0
66.606		Surveys, Studies, Investigations and Special Purpose Grants	DNR	1,029,590	19,415
66.606		Surveys, Studies, Investigations and Special Purpose Grants	UW-Madison	216,728	0
66.606		Surveys, Studies, Investigations and Special Purpose Grants	UW-Extension	24,169	2,500
		Total Federal Program 66.606		<u>1,289,076</u>	<u>21,915</u>
66.607		Training and Fellowships for the Environmental Protection Agency	UW-Madison	19,559	0
66.700		Consolidated Pesticide Enforcement Cooperative Agreements	DATCP	72,813	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
66.707		TSCA Title IV State Lead Grants-Certification of Lead-Based Paint Professionals	DHFS	395,000	0
66.708		Pollution Prevention Grants Program	DNR	160,446	0
66.708		Pollution Prevention Grants Program (from UW-Extension)	UW-La Crosse	1,664	0
66.708		Pollution Prevention Grants Program (from UW-Extension)	UW-Stevens Point	28,689	0
66.708		Pollution Prevention Grants Program	UW-Extension	(33)	0
		Total Federal Program 66.708		<u>190,766</u>	<u>0</u>
66.714		Pesticide Environmental Stewardship-Regional Grants	UW-Madison	45,094	0
66.801		Hazardous Waste Management State Program Support	DNR	2,529,032	27,496
66.802		Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	DNR	2,006,649	0
66.804		State and Tribal Underground Storage Tanks Program	Commerce	31,512	0
66.805		Leaking Underground Storage Tank-Trust Fund	DNR	773,615	0
66.805		Leaking Underground Storage Tank-Trust Fund	Commerce	601,291	0
		Total Federal Program 66.805		<u>1,374,906</u>	<u>0</u>
66.808		Solid Waste Management Assistance	UW-Extension	(105)	0
66.809		Superfund State and Indian Tribe Core Program-Cooperative Agreements	DNR	777,371	0
66.951		Environmental Education Grants	UW-Stevens Point	1,706,247	1,001,004
		Other Federal Financial Assistance:			
N/A	66.12-25-A-4051	Pesticide Data Program	DATCP	68,816	0
N/A	66.U-915435	Fellowship Expense Allocation	UW-Madison	9,340	0
N/A	66.C X826455	Underground Tank Technology Update Newsletter	UW-Madison	(46)	0
N/A	66.X-97509001	Using Farm Models to Develop a Risk Management Tool for Apple Growers	UW-Madison	21,345	7,851
N/A	66.U-915xxx; 91595901	Various Fellowship Awards	UW-Madison	51,581	0
N/A	66.GL005702-01	Mercury Education Program for Schools	UW-Extension	1,530	1,758
		Subtotal Direct Programs		<u>53,827,588</u>	<u>24,005,205</u>
		Subgrants:			
66.607		Training and Fellowships for the Environmental Protection Agency (from Arizona Board of Regents)	UW-Stevens Point	27,412	0
66.950		Environmental Education and Training Program (from North American Association for Environmental Education)	UW-Stevens Point	(663)	0
N/A	66.Bad River	Bad River Band (from Bad River Band of the Lake Superior Tribe of Chippewa Indians)	DNR	336	0
N/A	66.399-00-06	NSF-Filtration System	DNR	20,000	0
N/A	66.GL-RAPIDS	Rapids (from Great Lakes Commission)	DNR	57,016	0
N/A	66.031749-07425	Collaboration Program Plan for Implementing IPM (from American Farmland Trust)	UW-Madison	158,842	30,000
N/A	66.95	FQPA Workshops for Producers (from National Foundation for IPM Education)	UW-Madison	15,078	0
N/A	66.96-144	ETI-Virtual National Resource Center (from University of Illinois-Urbana-Champaign)	UW-Extension	(393)	0
N/A	66.01-233	Mercury Education Program for the Great Lakes (from University of Illinois)	UW-Extension	9,209	0
N/A	66.01-237	Operation of PNEAC for Compliance Assistance (from University of Illinois-Urbana-Champaign)	UW-Extension	48,209	0
		Subtotal Subgrants		<u>335,046</u>	<u>30,000</u>
		TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY		<u>54,162,634</u>	<u>24,035,205</u>
		U.S. DEPARTMENT OF ENERGY:			
81.039		National Energy Information Center	DOA	11,398	0
81.041		State Energy Program	DOA	659,533	17,544
81.042		Weatherization Assistance for Low-Income Persons	DOA	4,997,037	4,340,405
81.052		Energy Conservation for Institutional Buildings	DOA	55,637	0
81.087		Renewable Energy Research and Development	DOA	37,395	37,395
81.117		Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	DOA	50,952	0
81.119		State Energy Program Special Projects	DOA	538,549	442,531
		Other Federal Financial Assistance:			
N/A	81.	Petroleum Violation Escrow Funds	DOA	1,022,651	882,167
N/A	81.DE-FG01-01NE23052	UW Training Program for MS-Level Pet Medical Physicists	UW-Madison	28,797	0
		Subtotal Direct Programs		<u>7,401,949</u>	<u>5,720,042</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
Subgrants:					
81.079	81.CGLG-97-001	Regional Biomass Energy Programs (from Council of Great Lakes Governors)	DOA	7,574	0
N/A	81.AGR dtd 8/5/98; 3/31/00	Computational Science Graduate Fellowship Program (from Krell Institute)	UW-Madison	58,857	0
N/A	81.AGR dtd 7/24/00	Undergraduate Student Exchange Program (from South Carolina State University)	UW-Madison	22,184	0
Subtotal Subgrants				<u>88,615</u>	<u>0</u>
TOTAL U.S. DEPARTMENT OF ENERGY				<u>7,490,564</u>	<u>5,720,042</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY:					
83.105		Community Assistance Program-State Support Services Element	DMA	117,900	0
83.536		Flood Mitigation Assistance	DMA	339,857	339,857
83.539		Crisis Counseling	DHFS	218,739	218,739
83.539		Crisis Counseling	DMA	<u>126,844</u>	<u>0</u>
Total Federal Program 83.539				<u>345,583</u>	<u>218,739</u>
83.543		Individual and Family Grants	DMA	433,756	469,403
83.544		Public Assistance Grants	DOA	31,950	0
83.544		Public Assistance Grants	DMA	<u>20,625,448</u>	<u>19,468,295</u>
Total Federal Program 83.544				<u>20,657,398</u>	<u>19,468,295</u>
83.547		First Responder Counter-Terrorism Training Assistance	WTCSB	52,679	0
83.547		First Responder Counter-Terrorism Training Assistance	DMA	<u>512,380</u>	<u>76,926</u>
Total Federal Program 83.547				<u>565,059</u>	<u>76,926</u>
83.548		Hazard Mitigation Grant	DMA	2,894,553	2,786,819
83.550		National Dam Safety Program	DNR	68,308	0
83.551		Project Impact-Building Disaster Resistant Communities	DMA	9,622	0
83.552		Emergency Management Performance Grants	DMA	2,113,382	1,031,021
83.553		State Fire Training Systems Grants	WTCSB	19,425	10,870
Other Federal Financial Assistance:					
N/A	83.11X-9034- 9053-2-4120D	Comprehensive Environmental Response, Compensation and Liability Act of 1980	DMA	1,341	0
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY				<u>27,566,184</u>	<u>24,401,930</u>
U.S. DEPARTMENT OF EDUCATION:					
84.002		Adult Education-State Grant Program	WTCSB	6,973,884	6,195,520
84.010		Title I Grants to Local Educational Agencies (Note 2)	DPI	121,976,693	120,277,007
84.011		Migrant Education-State Grant Program	DPI	683,269	427,906
84.013		Title I Program for Neglected and Delinquent Children	DPI	1,337,888	1,333,345
84.015		National Resource Centers and Fellowships Program for Language and Area or Language and International Studies	UW-Madison	2,569,584	0
84.015		National Resource Centers and Fellowships Program for Language and Area or Language and International Studies	UW-Milwaukee	48,503	0
84.015		National Resource Centers and Fellowships Program for Language and Area or Language and International Studies (from UW-Madison)	UW-Milwaukee	6,821	0
Total Federal Program 84.015				<u>2,624,908</u>	<u>0</u>
84.016		Undergraduate International Studies and Foreign Language Programs	UW-Milwaukee	38,258	0
84.016		Undergraduate International Studies and Foreign Language Programs	UW-Whitewater	<u>20,070</u>	<u>0</u>
Total Federal Program 84.016				<u>58,328</u>	<u>0</u>
84.017		International Research and Studies	UW-Madison	89,021	0
84.021		International: Overseas-Group Projects Abroad	UW-Madison	39,075	0
Special Education Cluster:					
84.027		Special Education-Grants to States (Note 2)	DPI	97,763,235	87,745,255
84.173		Special Education-Preschool Grants (Note 2)	DPI	<u>9,040,961</u>	<u>8,708,547</u>
Total Special Education Cluster				<u>106,804,196</u>	<u>96,453,802</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
84.031		Higher Education-Institutional Aid	UW-Eau Claire	2,113	0
84.031		Higher Education-Institutional Aid	UW-River Falls	284,883	0
84.031		Higher Education-Institutional Aid	UW-Whitewater	<u>327,120</u>	<u>0</u>
		Total Federal Program 84.031		<u>614,116</u>	<u>0</u>
TRIO Cluster:					
84.042		TRIO-Student Support Services	UW-Madison	276,177	0
84.042		TRIO-Student Support Services	UW-Milwaukee	265,653	0
84.042		TRIO-Student Support Services	UW-Eau Claire	313,400	0
84.042		TRIO-Student Support Services	UW-Green Bay	336,427	0
84.042		TRIO-Student Support Services	UW-La Crosse	349,534	0
84.042		TRIO-Student Support Services	UW-Oshkosh	350,598	0
84.042		TRIO-Student Support Services	UW-Parkside	251,737	0
84.042		TRIO-Student Support Services	UW-Platteville	333,878	0
84.042		TRIO-Student Support Services	UW-River Falls	235,555	0
84.042		TRIO-Student Support Services	UW-Stevens Point	265,800	0
84.042		TRIO-Student Support Services	UW-Stout	425,137	0
84.042		TRIO-Student Support Services	UW-Superior	242,492	0
84.042		TRIO-Student Support Services	UW-Whitewater	247,713	0
84.042		TRIO-Student Support Services	UW Colleges	471,878	0
84.044		TRIO-Talent Search	DPI	210,686	0
84.044		TRIO-Talent Search	UW-Milwaukee	304,968	0
84.044		TRIO-Talent Search	UW-Stout	246,150	0
84.044		TRIO-Talent Search	UW-Whitewater	263,995	0
84.047		TRIO-Upward Bound	UW-Milwaukee	892,458	0
84.047		TRIO-Upward Bound	UW-Eau Claire	254,174	0
84.047		TRIO-Upward Bound	UW-Green Bay	522,107	0
84.047		TRIO-Upward Bound	UW-La Crosse	396,202	0
84.047		TRIO-Upward Bound	UW-River Falls	229,220	0
84.047		TRIO-Upward Bound	UW-Stevens Point	360,652	0
84.047		TRIO-Upward Bound	UW-Superior	198,039	0
84.047		TRIO-Upward Bound	UW-Whitewater	238,443	0
84.047		TRIO-Upward Bound	UW Colleges	423,071	0
84.066		TRIO-Educational Opportunity Centers	UW-Eau Claire	259,323	0
84.066		TRIO-Educational Opportunity Centers (from UW-Eau Claire)	UW Colleges	75,963	0
84.217		TRIO-McNair Post-Baccalaureate Achievement	UW-Madison	230,442	0
84.217		TRIO-McNair Post-Baccalaureate Achievement	UW-Milwaukee	232,233	0
84.217		TRIO-McNair Post-Baccalaureate Achievement	UW-Eau Claire	234,832	0
84.217		TRIO-McNair Post-Baccalaureate Achievement	UW-River Falls	149,747	0
84.217		TRIO-McNair Post-Baccalaureate Achievement	UW-Superior	206,562	0
84.217		TRIO-McNair Post-Baccalaureate Achievement	UW-Whitewater	<u>229,210</u>	<u>0</u>
		Total TRIO Cluster		<u>10,524,456</u>	<u>0</u>
84.048		Vocational Education-Basic Grants to States	WTCSB	20,587,786	19,173,883
84.069		Leveraging Educational Assistance Partnership	HEAB	1,146,321	0
84.078		Special Education-Postsecondary Education Programs for Persons with Disabilities	UW-Milwaukee	6,686	0
84.116		Fund for the Improvement of Postsecondary Education	UW-Madison	167,429	0
84.116		Fund for the Improvement of Postsecondary Education	UW-Milwaukee	143,052	0
84.116		Fund for the Improvement of Postsecondary Education (from UW-Madison)	UW-Eau Claire	(5,197)	0
84.116		Fund for the Improvement of Postsecondary Education	UW-Green Bay	12,622	0
84.116		Fund for the Improvement of Postsecondary Education	UW-Platteville	15,034	0
84.116		Fund for the Improvement of Postsecondary Education	UW-Stevens Point	233,500	0
84.116		Fund for the Improvement of Postsecondary Education	UW-Superior	<u>41,676</u>	<u>0</u>
		Total Federal Program 84.116		<u>608,116</u>	<u>0</u>
84.126		Rehabilitation Services-Vocational Rehabilitation Grants to States (Note 2)	DWD	47,252,623	1,758,855
84.128		Rehabilitation Services-Service Projects	UW-La Crosse	6,240	0
84.129		Rehabilitation Long-Term Training	UW-Madison	182,959	0
84.129		Rehabilitation Long-Term Training	UW-Stout	<u>177,804</u>	<u>0</u>
		Total Federal Program 84.129		<u>360,763</u>	<u>0</u>
84.133		National Institute on Disability and Rehabilitation Research (from UW-	UW-Stout	6,958	0
84.153		Business and International Education Projects	UW-Platteville	68,787	0
84.153		Business and International Education Projects	UW-Whitewater	<u>88,633</u>	<u>0</u>
		Total Federal Program 84.153		<u>157,420</u>	<u>0</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
84.161		Rehabilitation Services-Client Assistance Program	DATCP	185,673	0
84.162		Immigrant Education	DPI	589,100	581,609
84.169		Independent Living-State Grants	DWD	313,553	313,553
84.170		Javits Fellowships	UW-Madison	378,749	0
84.170		Javits Fellowships	UW-Milwaukee	53,522	0
		Total Federal Program 84.170		<u>432,271</u>	<u>0</u>
84.177		Rehabilitation Services-Independent Living Services for Older Individuals Who are Blind	DWD	110,177	110,177
84.181		Special Education-Grants for Infants and Families with Disabilities	DHFS	6,055,623	5,579,138
84.184		Safe and Drug-Free Schools and Communities-National Programs	UW-Whitewater	9,974	0
84.185		Byrd Honors Scholarships	DPI	761,000	761,000
84.186		Safe and Drug-Free Schools and Communities-State Grants	DHFS	1,290,573	1,244,899
84.186		Safe and Drug-Free Schools and Communities-State Grants	DPI	6,219,732	5,677,571
		Total Federal Program 84.186		<u>7,510,305</u>	<u>6,922,470</u>
84.187		Supported Employment Services for Individuals with Severe Disabilities	DWD	653,270	0
84.194		Bilingual Education Support Services	DPI	95,383	0
84.195		Bilingual Education-Professional Development	DPI	295,486	73,592
84.195		Bilingual Education-Professional Development	UW-Milwaukee	374,396	0
84.195		Bilingual Education-Professional Development (from UW-La Crosse)	UW-Eau Claire	25,872	0
84.195		Bilingual Education-Professional Development	UW-La Crosse	453,126	202,780
84.195		Bilingual Education-Professional Development	UW-Oshkosh	246,664	0
84.195		Bilingual Education-Professional Development (from UW-La Crosse)	UW-Stevens Point	135,591	0
84.195		Bilingual Education-Professional Development (from UW-La Crosse)	UW-Stout	49,772	0
84.195		Bilingual Education-Professional Development	UW-Whitewater	503,014	0
		Total Federal Program 84.195		<u>2,083,921</u>	<u>276,372</u>
84.196		Education for Homeless Children and Youth	DPI	492,533	430,053
84.200		Graduate Assistance in Areas of National Need	UW-Madison	69,928	0
84.200		Graduate Assistance in Areas of National Need	UW-Milwaukee	135,720	0
		Total Federal Program 84.200		<u>205,648</u>	<u>0</u>
84.213		Even Start-State Educational Agencies	DPI	2,653,716	2,516,779
84.213		Even Start-State Educational Agencies	UW-Oshkosh	24,377	0
		Total Federal Program 84.213		<u>2,678,093</u>	<u>2,516,779</u>
84.215		Fund for the Improvement of Education	DPI	185,544	124,196
84.216		Capital Expenses	DPI	155,855	155,855
84.220		Centers for International Business Education	UW-Madison	291,254	0
84.220		Centers for International Business Education (from UW-Madison)	UW-Milwaukee	2,781	0
84.220		Centers for International Business Education (from UW-Madison)	UW-Stout	4,131	0
84.220		Centers for International Business Education (from UW-Madison)	UW-Whitewater	2,576	0
		Total Federal Program 84.220		<u>300,742</u>	<u>0</u>
84.224		Assistive Technology	DHFS	982,526	824,105
84.234		Projects with Industry	UW-Stout	243,956	0
84.243		Tech-Prep Education	WTCSB	2,473,693	2,473,693
84.264		Rehabilitation Training-Continuing Education	UW-Stout	244,297	39,648
84.265		Rehabilitation Training-State Vocational Rehabilitation Unit In-Service Training	DWD	110,609	0
84.276		Goals 2000-State and Local Education Systemic Improvement Grants	DPI	4,220,853	4,018,630
84.278		School to Work Opportunities	DWD	65,493	42,256
84.281		Eisenhower Professional Development State Grants	DPI	5,353,217	4,376,952
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Madison	20,763	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Milwaukee	110,646	0
84.281		Eisenhower Professional Development State Grants (from UW-Whitewater)	UW-Milwaukee	4,480	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Eau Claire	(58,527)	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Green Bay	79,601	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-La Crosse	136,596	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Oshkosh	(2,829)	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Parkside	10,191	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Platteville	(1,767)	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-River Falls	14,689	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Stevens Point	3,014	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Stout	107,351	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Superior	(1,189)	0
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Whitewater	44,939	0
84.281		Eisenhower Professional Development State Grants	UW System Admin	992,152	129,969
		Total Federal Program 84.281		<u>6,813,327</u>	<u>4,506,921</u>
84.282		Charter Schools	DPI	6,229,268	6,016,784
84.293		Foreign Language Assistance	DPI	45,842	13,181
84.298		Innovative Education Program Strategies	DPI	7,179,359	6,041,351
84.314		Even Start-Statewide Family Literacy Program	WTCSB	183,021	71,806
84.318		Technology Literacy Challenge Fund Grants	DPI	7,034,850	6,664,551
84.324		Special Education-Research and Innovation to Improve Services and Results for Children with Disabilities	UW-Madison	72,032	0
84.324		Special Education-Research and Innovation to Improve Services and Results for Children with Disabilities	UW-Milwaukee	113,546	0
		Total Federal Program 84.324		<u>185,578</u>	<u>0</u>
84.325		Special Education-Personnel Preparation to Improve Services and Results for Children with Disabilities	UW-Madison	578,437	9,531
84.325		Special Education-Personnel Preparation to Improve Services and Results for Children with Disabilities	UW-Milwaukee	548,622	0
84.325		Special Education-Personnel Preparation to Improve Services and Results for Children with Disabilities	UW-La Crosse	88,823	0
		Total Federal Program 84.325		<u>1,215,882</u>	<u>9,531</u>
84.330		Advanced Placement Program	DPI	1,660,044	245,268
84.331		Grants to States for Incarcerated Youth Offenders	DOC	280,107	0
84.332		Comprehensive School Reform Demonstration (Note 2)	DPI	2,842,963	2,670,869
84.333		Demonstration Projects to Ensure Students with Disabilities Receive a Higher Education	UW-Stout	115,055	0
84.334		Gaining Early Awareness and Readiness for Undergraduate Programs	DPI	2,164,415	1,054,764
84.334		Gaining Early Awareness and Readiness for Undergraduate Programs	UW-Milwaukee	552,584	0
84.334		Gaining Early Awareness and Readiness for Undergraduate Programs	UW-Eau Claire	279,012	0
		Total Federal Program 84.334		<u>2,996,011</u>	<u>1,054,764</u>
84.335		Child Care Access Means Parents in School	UW-Milwaukee	679,328	0
84.335		Child Care Access Means Parents in School	UW-Oshkosh	28,618	0
84.335		Child Care Access Means Parents in School	UW-Stevens Point	32,835	0
		Total Federal Program 84.335		<u>740,781</u>	<u>0</u>
84.336		Teacher Quality Enhancement Grants	DPI	1,519,940	1,077,496
84.336		Teacher Quality Enhancement Grants	UW-Milwaukee	1,935,068	818,666
84.336		Teacher Quality Enhancement Grants (from UW System Admin)	UW-Milwaukee	3,219	0
84.336		Teacher Quality Enhancement Grants (from UW System Admin)	UW-Platteville	2,469	0
84.336		Teacher Quality Enhancement Grants (from UW System Admin)	UW-River Falls	(5,303)	0
		Total Federal Program 84.336		<u>3,455,393</u>	<u>1,896,162</u>
84.337		Technological Innovation and Cooperation for Foreign Information Access	UW-Madison	203,907	42,208
84.339		Learning Anytime Anywhere Partnerships (from UW System Admin)	UW-La Crosse	43,449	0
84.339		Learning Anytime Anywhere Partnerships (from UW System Admin)	UW-Oshkosh	189	0
84.339		Learning Anytime Anywhere Partnerships (from UW System Admin)	UW-Stevens Point	11,566	0
84.339		Learning Anytime Anywhere Partnerships	UW System Admin	224,230	0
		Total Federal Program 84.339		<u>279,434</u>	<u>0</u>
84.340		Class Size Reduction	DPI	23,899,849	23,899,849
84.342		Preparing Tomorrow's Teachers to Use Technology	UW-Milwaukee	441,113	0
84.342		Preparing Tomorrow's Teachers to Use Technology	UW-Oshkosh	863,267	0
84.342		Preparing Tomorrow's Teachers to Use Technology (from UW-Oshkosh)	UW-Parkside	(25,000)	0
84.342		Preparing Tomorrow's Teachers to Use Technology	UW-River Falls	218,293	0
84.342		Preparing Tomorrow's Teachers to Use Technology (from UW-Oshkosh)	UW-River Falls	(45,000)	0
84.342		Preparing Tomorrow's Teachers to Use Technology (from UW-Oshkosh)	UW-Stevens Point	(40,000)	0
		Total Federal Program 84.342		<u>1,412,673</u>	<u>0</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
84.346		Occupational and Employment Information State Grants	DWD	118,085	0
84.348		Title I Accountability Grants	DPI	1,648,196	1,648,196
84.350		Transition to Teaching	DPI	66,432	0
84.350		Transition to Teaching	DVA	11,080	0
		Total Federal Program 84.350		77,512	0
84.352		School Renovation Grants	DPI	95,044	0
Other Federal Financial Assistance:					
N/A	84.H029	Accommodating Challenges: Training for Inclusion-Oriented Needs	UW-Madison	115,544	0
	G970190;				
	K970100				
N/A	84.H029A970162	Wisconsin Early Intervention Low-Incidence Preservice Project	UW-Madison	2,034	0
N/A	84.H029	Accommodating Challenges: Training for Inclusion (from UW-Madison)	UW-Milwaukee	(32,558)	0
	K970100				
N/A	84.H029	Action Project: Accommodating Challenges (from UW-Madison)	UW-Milwaukee	(17,730)	0
	G970190				
N/A	84.ED-98-CO-0087 MOD2	Zelinko National Conference (from UW-Madison)	UW-Milwaukee	(49,135)	0
		Subtotal Direct Programs		421,749,175	325,571,293
Subgrants:					
84.015	84.411436	National Resource Centers and Fellowships Program for Language and Area or Language and International Studies (from University of Washington)	UW-Madison	23,556	0
84.116	84.CK N0031817	Fund for the Improvement of Postsecondary Education (from Bard College)	UW-Milwaukee	40,000	0
84.116		Fund for the Improvement of Postsecondary Education (from Capital University)	UW-Eau Claire	14,553	0
84.133		National Institute on Disability and Rehabilitation Research (from University of Illinois-Chicago)	DHFS	28,190	0
84.213		Even Start-State Educational Agencies (from Platteville Public School District)	UW-Platteville	4,227	0
84.215	84.R215U60011-99	Fund for the Improvement of Education (from Council of Chief State School Officers)	DPI	35,887	33,941
84.215	84.CK 28932	Fund for the Improvement of Education (from Great Cities Universities Foundation)	UW-Milwaukee	6,379	0
84.215		Fund for the Improvement of Education (from School District of La Crosse)	UW-La Crosse	207,730	0
84.276		Goals 2000-State and Local Education Systemic Improvement Grants (from Platteville Public School District)	UW-Platteville	1,138	0
84.276		Goals 2000-State and Local Education Systemic Improvement Grants (from Whitewater School District)	UW-Whitewater	31	0
84.281		Eisenhower Professional Development State Grants (from Milwaukee Public Schools)	UW-Milwaukee	3,013	0
84.287		Twenty-First Century Community Learning Centers (from Milwaukee Public Schools)	UW-Milwaukee	308,530	0
84.287		Twenty-First Century Community Learning Centers (from Appleton Area School District)	UW-Oshkosh	11,331	0
84.287	84.AGR dtd 10/18/98	Twenty-First Century Community Learning Centers (from Kenosha Unified School District)	UW-Parkside	1,196	0
84.287		Twenty-First Century Community Learning Centers (from Racine Unified School District)	UW-Parkside	12,123	0
84.287		Twenty-First Century Community Learning Centers (from Superior School District)	UW-Superior	(5,573)	0
84.287	84.AGR dtd 9/1/01	Twenty-First Century Community Learning Centers (from Waukesha County)	UW-Extension	69,230	0
84.295	84.R295A000002	Ready-To-Learn Television (from Public Broadcasting Service)	UW-Extension	28,007	0
84.299		Special Projects Professional Development Grants (from College of Menominee Nation)	UW-Eau Claire	135,883	0
84.305	84.R02-0176	National Institute on Student Achievement, Curriculum, and Assessment (from University of Houston)	UW-Madison	187,911	0
N/A	84.1126	Waisman Center Parent Projects in Collaboration with the Department of Public Instruction (from Cooperative Educational Service Agency #12)	UW-Madison	8,489	0
N/A	84.78006	Columbus Developmental Mentoring Program: Developmentally-Based Prevention (from Columbus Middle School)	UW-Madison	9,652	0
N/A	84.50249C-P1211-7803	Point of Transition Outreach Project (from San Diego State University)	UW-Madison	29,834	0
N/A	84.CK 427451	Series of Three Professional Development (from College of St. Catherine)	UW-Milwaukee	617	0
N/A	84.10276; 12231	Special Education-Postsecondary Education Programs for Persons with Disabilities (from St. Paul Technical College)	UW-Milwaukee	115,575	0
N/A	84.	Kenosha Unified Lighted Schoolhouse Program (from Kenosha Unified School District)	UW-Parkside	37,429	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
N/A	84.	Racine Unified Lighted Schoolhouse Program (from Racine Unified School District)	UW-Parkside	24,623	0
N/A	84.928A	National Writing Project (from University of California)	UW-Oshkosh	30,128	0
N/A	84.928	National Writing Project (from University of California)	UW-Stevens Point	5,803	0
N/A	84.AGR dtd 1/3/02	Teaching American History (from Wausau School District)	UW Colleges	9,465	0
N/A	84.AGR dtd 8/30/99	Adaptation of the External Diploma Program to Electronic Format (from American Council on Education)	UW-Extension	24,922	0
				<u>1,409,879</u>	<u>33,941</u>
TOTAL U.S. DEPARTMENT OF EDUCATION				<u>423,159,054</u>	<u>325,605,234</u>
U.S. CONSUMER PRODUCT SAFETY COMMISSION:					
Other Federal Financial Assistance:					
N/A	87.SO147441	State and Local Cooperative Contracts Program	DATCP	<u>2,381</u>	<u>0</u>
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION:					
89.003		National Historical Publications and Records Grants	WHS	<u>89,331</u>	<u>0</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
93.000		State Planning Grant	DHFS	789,113	0
93.003		Public Health and Social Services Emergency Fund	DHFS	37,625	0
93.006		State and Territorial and Technical Assistance Capacity Development Minority HIV/AIDS Demonstration Program	DHFS	124,918	29,243
93.041		Special Programs for the Aging-Title VII, Chapter 3-Programs for Prevention of Elder Abuse, Neglect, and Exploitation	DHFS	93,493	218
93.042		Special Programs for the Aging-Title VII, Chapter 2-Long Term Care	DHFS	206,328	149,610
93.043		Ombudsman Services for Older Individuals			
		Special Programs for the Aging-Title III, Part D-Disease Prevention and Health Promotion Services	DHFS	244,370	244,120
Aging Cluster:					
93.044		Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	DHFS	6,563,112	6,264,036
93.045		Special Programs for the Aging-Title III, Part C-Nutrition Services	DHFS	<u>10,431,788</u>	<u>9,943,162</u>
Total Aging Cluster				<u>16,994,900</u>	<u>16,207,198</u>
93.046		Special Programs for the Aging-Title III, Part D-In-Home Services for Frail Older Individuals	DHFS	196,679	196,679
93.048		Special Programs for the Aging-Title IV and Title II-Discretionary Projects	DHFS	112,576	24,801
93.051		Alzheimer's Disease Demonstration Grants to States	DHFS	414,673	414,673
93.052		National Family Caregiver Support	DHFS	2,797,646	2,691,790
93.103		Food and Drug Administration-Research	DATCP	9,199	0
93.104		Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances	DHFS	1,628,551	1,492,395
93.107		Model State-Supported Area Health Education Centers	UW-Madison	452,847	380,784
93.110		Maternal and Child Health Federal Consolidated Programs	DHFS	127,060	0
93.110		Maternal and Child Health Federal Consolidated Programs	UW-Madison	<u>1,332,569</u>	<u>0</u>
Total Federal Program 93.110				<u>1,459,629</u>	<u>0</u>
93.113		Biological Response to Environmental Health Hazards	UW-Milwaukee	89,475	0
93.116		Project Grants and Cooperative Agreements for Tuberculosis Control Programs	DHFS	504,500	126,789
93.119		Grants for Technical Assistance Activities Related to the Block Grant for Community Mental Health Services-Technical Assistance Centers for Evaluation	DHFS	1,111	0
93.127		Emergency Medical Services for Children	DHFS	103,882	0
93.127		Emergency Medical Services for Children	UW-La Crosse	<u>30,173</u>	<u>0</u>
Total Federal Program 93.127				<u>134,055</u>	<u>0</u>
93.130		Primary Care Services-Resource Coordination and Development	DHFS	149,648	0
93.136		Injury Prevention and Control Research and State and Community Based Programs	DHFS	123,858	13,125
93.150		Projects for Assistance in Transition from Homelessness	DHFS	425,629	405,912
93.156		Geriatric Training for Physicians, Dentists and Behavioral/Mental Health Professionals	UW-Parkside	(732)	0
93.161		Health Program for Toxic Substances and Disease Registry	DHFS	823,464	237,615
93.165		Grants for State Loan Repayment	Commerce	93,012	0
93.186		National Research Services Awards	UW-Madison	300,175	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
93.192		Quentin N. Burdick Programs for Rural Interdisciplinary Training	UW-Madison	100,207	0
93.197		Childhood Lead Poisoning Prevention Projects-State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	DHFS	1,214,372	1,062,919
93.211		Rural Telemedicine Grants	UW-La Crosse	100,269	0
93.225		National Research Service Awards-Health Services Research Training	UW-Madison	169,424	0
93.230		Consolidated Knowledge Development and Application Program	DHFS	817,352	784,084
93.230		Consolidated Knowledge Development and Application Program	UW-Madison	162,212	26,600
93.230		Consolidated Knowledge Development and Application Program (from UW-Extension)	UW-Madison	28,523	0
93.230		Consolidated Knowledge Development and Application Program	UW-Extension	81,243	15,156
		Total Federal Program 93.230		1,089,330	825,840
93.234		Traumatic Brain Injury-State Demonstration Grant Program	DHFS	172,744	172,744
93.235		Abstinence Education	DHFS	968,450	609,734
93.239		Policy Research and Evaluation Grants	DWD	65,995	65,995
93.241		State Rural Hospital Flexibility Program	DHFS	669,082	57,915
93.241		State Rural Hospital Flexibility Program	UW-Madison	467,684	385,003
		Total Federal Program 93.241		1,136,766	442,918
93.251		Universal Newborn Hearing Screening	DHFS	136,272	81,007
93.262		Occupational Safety and Health Research Grants	DHFS	95,988	0
93.263		Occupational Safety and Health-Training Grants	UW-Stout	60,603	0
93.268		Immunization Grants (Notes 2, 18)	DHFS	3,644,126	1,788,097
93.278		Drug Abuse National Research Service Awards for Research Training	UW-Madison	45,757	0
93.282		Mental Health National Research Service Awards for Research Training	UW-Madison	616,110	0
93.283		Centers for Disease Control and Prevention-Investigations and Technical Assistance	DHFS	4,192,711	1,965,063
93.283		Centers for Disease Control and Prevention-Investigations and Technical Assistance	DPI	65,946	62,822
93.283		Centers for Disease Control and Prevention-Investigations and Technical Assistance	UW-Madison	76,798	36,653
		Total Federal Program 93.283		4,335,455	2,064,538
93.358		Advanced Education Nursing Traineeships	UW-Madison	73,731	0
93.358		Advanced Education Nursing Traineeships	UW-Milwaukee	64,170	0
93.358		Advanced Education Nursing Traineeships	UW-Eau Claire	38,435	0
93.358		Advanced Education Nursing Traineeships	UW-Oshkosh	43,000	0
		Total Federal Program 93.358		219,336	0
93.359		Basic Nurse Education and Practice Grants	UW-Madison	234,780	0
93.361		Nursing Research	UW-Madison	322,804	0
93.389		Research Infrastructure	UW-Madison	2,401,646	0
93.389		Research Infrastructure	UW-Milwaukee	193,282	0
		Total Federal Program 93.389		2,594,928	0
93.398		Cancer Research Manpower	UW-Madison	1,892,923	0
93.556		Promoting Safe and Stable Families	DHFS	4,050,278	3,937,260
93.558		Temporary Assistance for Needy Families (Note 2)	DWD	350,200,468	150,283,103
93.563		Child Support Enforcement (Notes 2, 5)	DWD	54,805,252	33,995,397
93.566		Refugee and Entrant Assistance-State Administered Programs	DWD	1,675,045	1,007,662
93.568		Low-Income Home Energy Assistance (Note 2)	DOA	60,561,444	59,825,887
93.569		Community Services Block Grant	DHFS	7,393,105	7,136,014
93.569		Community Services Block Grant (from UW-Madison)	UW-Extension	7,381	0
		Total Federal Program 93.569		7,400,486	7,136,014
93.570		Community Services Block Grant-Discretionary Awards	DHFS	7,471	0
93.571		Community Services Block Grant-Discretionary Awards-Community Food and Nutrition	DHFS	19,874	19,874

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
		Child Care Cluster:			
93.575		Child Care and Development Block Grant (Note 2)	DWD	118,967,271	117,101,783
93.596		Child Care Mandatory and Matching Funds of the Child Care and Development Fund (Note 2)	DWD	38,094,273	35,626,181
		Total Child Care Cluster		157,061,544	152,727,964
93.576		Refugee and Entrant Assistance-Discretionary Grants	DWD	5,626,956	5,508,599
93.576		Refugee and Entrant Assistance-Discretionary Grants	DPI	1,745,041	1,638,116
		Total Federal Program 93.576		7,371,997	7,146,715
93.597		Grants to States for Access and Visitation Programs	DHFS	168,387	162,903
93.600		Head Start	DWD	424,407	426,128
93.600		Head Start	DPI	9,622	0
93.600		Head Start	UW-Oshkosh	3,742,478	0
		Total Federal Program 93.600		4,176,507	426,128
93.603		Adoption Incentive Payments	DHFS	197,179	0
93.630		Developmental Disabilities Basic Support and Advocacy Grants	DHFS	1,390,360	40,435
93.631		Developmental Disabilities Projects of National Significance	UW-Madison	131,231	25,000
93.632		University Centers for Excellence in Developmental Disabilities Education, Research, and Service	UW-Madison	336,097	27,326
93.643		Children's Justice Grants to States	DOJ	255,327	86,702
93.645		Child Welfare Services-State Grants	DHFS	4,237,895	3,951,769
93.647		Social Services Research and Demonstration	UW-Extension	263,292	27,900
93.648		Child Welfare Services Training Grants	UW-Green Bay	157,772	0
93.658		Foster Care-Title IV-E (Note 2)	DHFS	87,310,554	37,525,869
93.659		Adoption Assistance	DHFS	26,467,760	2,323,525
93.667		Social Services Block Grant (Note 19)	DHFS	50,733,869	45,956,436
93.669		Child Abuse and Neglect State Grants	DHFS	414,214	0
93.671		Family Violence Prevention and Services/Grants for Battered Women's Shelters- Grants to States and Indian Tribes	DHFS	1,458,803	1,339,448
93.672		Community-Based Prevention Program	CANPB	311,606	281,001
93.674		Chafee Foster Care Independent Living	DHFS	3,086,322	2,733,756
93.767		State Children's Insurance Program (Note 2)	DHFS	76,348,028	0
93.768		Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities	DHFS	416,071	0
93.773		Medicare-Hospital Insurance	DVA	9,670	0
		Medicaid Cluster:			
93.778		Medical Assistance Program (Note 2)	DHFS	2,490,045,913	260,262,955
93.778		Medical Assistance Program (Note 2)	DWD	246,989	163,905
93.775		State Medicaid Fraud Control Units (Note 2)	DOJ	717,712	0
93.777		State Survey and Certification of Health Care Providers and Suppliers (Note 2)	DHFS	9,238,072	0
		Total Medicaid Cluster		2,500,248,686	260,426,860
93.779		Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	DHFS	335,938	218,046
93.821		Cell Biology and Biophysics Research	UW-Madison	2,161,593	0
93.822		Health Careers Opportunity Program	UW-Milwaukee	349,472	0
93.824		Basic/Core Area Health Education Centers	UW-Madison	12,563	0
93.837		Heart and Vascular Diseases Research	UW-Madison	118,310	0
93.838		Lung Diseases Research	UW-Madison	191,785	0
93.839		Blood Diseases and Resources Research	UW-Madison	195,679	0
93.848		Digestive Diseases and Nutrition Research	UW-Madison	156,911	0
93.853		Extramural Research Programs in the Neurosciences and Neurological Disorders	UW-Madison	81,049	0
93.855		Allergy, Immunology and Transplantation Research	UW-Madison	131,278	0
93.856		Microbiology and Infectious Diseases Research	UW-Madison	191,000	0
93.859		Pharmacology, Physiology, and Biological Chemistry Research	UW-Madison	1,248,809	0
93.862		Genetics and Developmental Biology Research and Research Training	UW-Madison	581,802	0
93.864		Population Research	UW-Madison	260,828	0
93.865		Center for Research for Mothers and Children	UW-Madison	150,668	0
93.866		Aging Research	UW-Madison	521,045	0
93.867		Vision Research	UW-Madison	127,857	0
93.879		Medical Library Assistance	UW-Madison	6,774	0
93.880		Minority Access to Research Careers	UW-Madison	25,177	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
93.886		Physician Assistant Training in Primary Care	UW-Madison	122,475	0
93.886		Physician Assistant Training in Primary Care	UW-La Crosse	1,591	0
		Total Federal Program 93.886		124,066	0
93.894		Resource and Manpower Development in the Environmental Health Sciences	UW-Madison	290,665	0
93.896		Predoctoral Training in Primary Care (Family Medicine, General Internal Medicine/General Pediatrics)	UW-Madison	261,367	0
93.912		Rural Health Outreach and Rural Network Development Program	UW-La Crosse	54,526	0
93.913		Grants to States for Operation of Offices of Rural Health	UW-Madison	116,022	26,396
93.917		HIV Care Formula Grants	DHFS	4,479,303	4,054,605
93.919		Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	DHFS	2,985,060	1,762,149
93.938		Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	DPI	1,000,502	409,064
93.940		HIV Prevention Activities-Health Department Based	DHFS	3,618,290	2,550,912
93.942		Research, Treatment and Education Programs on Lyme Disease in the United States	DHFS	6,726	5,712
93.944		Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	DHFS	448,466	33,920
93.945		Assistance Programs for Chronic Disease Prevention and Control	DHFS	385,253	17,047
93.958		Block Grants for Community Mental Health Services	DHFS	6,617,188	6,391,266
93.959		Block Grants for Prevention and Treatment of Substance Abuse	DHFS	25,611,897	24,507,663
93.960		Special Minority Initiatives	UW-Madison	44,034	0
93.969		Geriatric Education Centers	UW-Madison	2,201	0
93.970		Health Professions Recruitment Program for Indians	UW-Eau Claire	229,209	0
93.977		Preventive Health Services-Sexually Transmitted Diseases Control Grants	DHFS	983,765	467,380
93.984		Academic Administrative Units in Primary Care	UW-Madison	108,001	0
93.988		Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	DHFS	703,712	188,131
93.989		Senior International Fellowships	UW-Madison	70,213	0
93.991		Preventive Health and Health Services Block Grant	DHFS	3,040,880	1,782,124
93.994		Maternal and Child Health Services Block Grant to the States	DHFS	11,160,037	6,518,895
93.994		Maternal and Child Health Services Block Grant to the States	UW-Madison	344,110	117,684
		Total Federal Program 93.994		11,504,147	6,636,579
Other Federal Financial Assistance:					
N/A	93.2709847057	AODA Treatment Needs Assessment	DHFS	209,600	181,124
N/A	93.05-9x-05-WI-5002	Clinical Lab Improvement Act	DHFS	335,362	0
N/A	93.200-95-7252	DHFS Vital Statistics (Note 20)	DHFS	546,033	0
N/A	93.01E36435201D	LPHD Objectives Evaluation	DHFS	4,351	0
N/A	93.223-9x-4449	Mammography Quality Standards Act (Note 20)	DHFS	180,592	0
N/A	93.T06122401D	Minority Health Infrastructure Development Project (Note 20)	DHFS	4,232	0
N/A	93.280-99-0200	Olmstead Community Base Care	DHFS	3,623	0
N/A	93.283-95-0046	Uniform AODA Data Collection System	DHFS	(2,021)	(61,104)
N/A	93.	Federal Data Sharing	DWD	9,767	0
N/A	93.223-95-4073	Food Inspections	DATCP	74,090	0
N/A	93.223-95-4016	Medicated Feed Inspections	DATCP	14,252	0
N/A	93.223-9x-4008	Tissue Residue Inspections	DATCP	26,093	0
N/A	93.N02-CO-01111	Cancer Information Service	UW-Madison	1,292,054	236,369
N/A	93.01R00019601D	CTRI Program	UW-Madison	73,790	0
N/A	93.5 D08	Faculty Development in General Internal Medicine/ Pediatrics	UW-Madison	132,620	0
N/A	HP50097-03	Family Medicine Faculty Database Design and Maintenance Planning	UW-Madison	12,042	0
N/A	93.AGR dtd 10/13/98	HIV Care Program-Beloit Nursing Case Manager	UW-Madison	11,705	0
N/A	93.AGR dtd 7/2/01	Honoring our Children with a Healthy Start Program	UW-Madison	126	0
N/A	93.AGR dtd 5/8/01	Improving Web-based Access and Delivery of Health Information Resources for Eastern Wisconsin Area	UW-Madison	4,681	0
N/A	93.01 IPA 03378; AGR dtd 6/18/01;	Intergovernmental Personnel Assignment Agreements	UW-Madison	213,318	0
N/A	4/16/02				
N/A	93.5 F31	Predoctoral Individual National Research Service Award	UW-Madison	28,648	0
	NS10205-06				

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
N/A	93.AGR dtd 12/30/99	Regional Children with Special Health Care Needs Center	UW-Madison	21,348	15,374
N/A	93.AGR dtd 3/15/01	Rural Health Outreach	UW-Madison	13,027	0
N/A	93.2236646/61	State Genetics Services Plan	UW-Madison	15,849	0
N/A	93.AGR dtd 6/5/01	Wisconsin State Planning Grant Conference	UW-Madison	14,205	0
N/A	93.	Health and Wellness Education for Racine	UW-Parkside	6,225	0
N/A	93.AGR dtd 2/27/01	Personnel Agreement	UW-Stevens Point	175,928	0
Subtotal Direct Programs				3,521,652,441	850,566,435
Subgrants:					
93.107	93.S-01-0190	Model State-Supported Area Health Education Centers (from Northern Wisconsin Area Health Education Center)	UW-Eau Claire	10,000	0
93.107	93.AGR dtd 4/19/99	Model State-Supported Area Health Education Centers (from Eastern Wisconsin Area Health Education Center, Inc.)	UW-Parkside	7,625	0
93.122	93.AGR dtd 2/14/01	Cooperative Agreements for Substance Abuse Treatment and Recovery Systems for Rural, Remote and Culturally Distinct Populations (from Oconto County Department of Human Services)	UW-Extension	3,000	0
93.144	93.AGR dtd 12/18/01	Demonstration Grants for the Prevention of Alcohol and Drug Abuse Among High-Risk Populations (from Milwaukee Board of School Directors)	UW-Extension	3,000	0
93.230	93.1U97113028-01	Consolidated Knowledge Development and Application Program (from Health Care for the Homeless of Milwaukee)	UW-Milwaukee	4,671	0
93.398	93.x25 CA 09554	Cancer Research Manpower (from Oncology Nursing Society)	UW-Milwaukee	71,943	0
93.556	93.AGR dtd 2/13/02; 3/8/02	Promoting Safe and Stable Families (from Oconto County Partnership)	UW-Extension	32,740	0
93.556	93.AGR dtd 1/1/02	Promoting Safe and Stable Families (from United Way of Racine County, Inc.)	UW-Extension	27,187	0
93.558		Temporary Assistance for Needy Families (Note 2) (from Community Coordinated Child Care, Inc.)	UW-Milwaukee	27,913	0
93.558		Temporary Assistance for Needy Families (Note 2) (from Safe and Sound, Inc.)	UW-Milwaukee	22,655	0
93.558	93.AGR dtd 2/20/01	Temporary Assistance for Needy Families (Note 2) (from Florence County Department of Human Services)	UW-Extension	3,101	0
93.558	93.2000-050; 2001-050	Temporary Assistance for Needy Families (Note 2) (from Portage County Department of Health and Human Services)	UW-Extension	28,584	0
93.558	93.215; 01-63 P0102342	Temporary Assistance for Needy Families (Note 2) (from Rock County Department of Health and Human Services)	UW-Extension	2,966	0
93.558	93.AGR dtd 1/1/01	Temporary Assistance for Needy Families (Note 2) (from Holy Family Memorial)	UW-Extension	1,041	0
93.570	93.NYSPF 02-291	Community Services Block Grant-Discretionary Awards (from National Youth Sports Corporation)	UW-Eau Claire	79,910	0
93.570		Community Services Block Grant-Discretionary Awards (from National Youth Sports Corporation)	UW-La Crosse	77,373	0
93.575		Child Care and Development Block Grant (Note 2) (from Family Resources)	UW-La Crosse	4,075	0
93.575	93.AGR dtd 8/29/00	Child Care and Development Block Grant (Note 2) (from Pleasant Prairie Child Care Center)	UW-Extension	7,362	0
93.576		Refugee and Entrant Assistance-Discretionary Grants (from Hmong National Development, Inc.)	UW-Milwaukee	53,310	0
93.596		Child Care Mandatory and Matching Funds of the Child Care and Development Fund (Note 2) (from City of Platteville)	UW-Platteville	3,805	0
93.588		Community Schools Youth Services and Supervision Program (from ESHAC, Inc.)	UW-Milwaukee	(11,500)	0
93.658		Foster Care-Title IV-E (Note 2) (from Rock County Department of Human Services)	UW-Extension	24,517	0
93.778	93.AGR dtd 8/7/00; 8/3/01	Medical Assistance Program (Note 2) (from Sally Mather Associates)	UW-Madison	93,440	0
93.824	93.AGR dtd 3/11/02	Basic/Core Area Health Education Centers (from Southwest Wisconsin Area Health Education Center)	UW-Madison	500	0
93.837	93.22-4177-5220	Heart and Vascular Diseases Research (from American Association for the Advancement of Science)	UW-Madison	4,269	0
93.912		Rural Health Outreach and Rural Network Development Program (from Southwestern Wisconsin Community Action Program)	UW-Platteville	8,828	0
93.926	93.AGR dtd 10/2/01	Healthy Start Initiative (from Great Lakes Inter-Tribal Council, Inc.)	UW-Madison	30,749	0
93.959	93.01-58 P200661; 01-58 P101590; 02-52 P201709	Block Grants for Prevention and Treatment of Substance Abuse (from Rock County Human Services Department)	UW-Extension	38,198	0
93.969		Geriatric Education Centers (from Marquette University)	UW-Milwaukee	29,223	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
93.969	93.S6658028702	Geriatric Education Centers (from University of Minnesota-Twin Cities)	UW-Eau Claire	8,853	0
N/A	93.AGR dtd	Health Care Professionals Training and Technical Assistance-Medical Specialists (from American Academy of Addiction Psychiatry)	UW-Madison	(50)	0
N/A	93.AGR dtd	Sole Source Cooperative Agreement Inter-Disciplinary Faculty Development Program (from Brown University)	UW-Madison	29,282	0
N/A	93.11-01S; 37530	Child Care and Development (from City of Madison)	UW-Madison	4,570	0
N/A	93.WC04	Birth to Three Program Review and Technical Assistance (from Cooperative Educational Service Agency #5)	UW-Madison	15,301	0
N/A	93.AGR dtd	Head Start Quality Improvement Center (from Cooperative Educational Service Agency #5)	UW-Madison	90,560	0
N/A	93.WC02	Program Review and Technical Assistance Project (from Cooperative Educational Service Agency #5)	UW-Madison	34,805	0
N/A	93.CK 98662	NRSA Trainees Research Conference (from Duke University)	UW-Madison	2,095	0
N/A	93.AGR dtd	Refugee Community Service Employment Program (from Forward Service Corporation)	UW-Madison	44,941	0
N/A	93.AGR dtd	Rural Health Outreach (from Ho-Chunk Nation)	UW-Madison	12,875	0
N/A	93.AGR dtd	American Indian/Alaska Native Initiative on Cancer (from Mayo Clinic)	UW-Madison	177,683	0
N/A	5/25/00; 8/30/01	Professional Development for the Milwaukee Public School System (from Milwaukee School of Engineering)	UW-Madison	35,835	0
N/A	93.S-00-0185	Healthier Northwoods People Information Systems Project (from Northern Wisconsin Area Health Education Center)	UW-Madison	1,829	0
N/A	93.AGR dtd	Environmental Health Sciences Training and Education Program (from University of Medicine and Dentistry of New Jersey)	UW-Madison	25,018	0
N/A	12/21/00; 11/5/01	Social Norms Marketing (from Educational Development Center)	UW-Milwaukee	590	0
N/A	93.3PA0000053	Illinois Role for 2000 and 2002 (from State of Illinois)	UW-Stout	11,570	0
N/A	93.AGR dtd	Brown County Individual Development (from Integrated Community Services)	UW-Extension	8,330	0
N/A	93.AGR dtd	Family Support Worker (from Oconto County Department of Health Services)	UW-Extension	32,196	0
N/A	93.01-ES-08	Taylor County Community Reinvestment Project (from Taylor County)	UW-Extension	1,386	0
		Subtotal Subgrants		<u>1,228,154</u>	<u>0</u>
		TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		<u>3,522,880,595</u>	<u>850,566,435</u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:					
94.003		State Commissions	DOA	252,518	0
94.004		Learn and Serve America-School and Community Based Programs	DPI	457,763	353,533
94.004		Learn and Serve America-School and Community Based Programs	DOA	130,203	130,203
		Total Federal Program 94.004		<u>587,966</u>	<u>483,736</u>
94.005		Learn and Serve America-Higher Education (from UW-River Falls)	UW-Milwaukee	(5,090)	0
94.005		Learn and Serve America-Higher Education	UW-Parkside	10,030	0
94.005		Learn and Serve America-Higher Education	UW-River Falls	43,827	0
94.005		Learn and Serve America-Higher Education (from UW-River Falls)	UW-Stout	371	0
94.005		Learn and Serve America-Higher Education (from UW-River Falls)	UW-Superior	(6,826)	0
94.005		Learn and Serve America-Higher Education (from UW-River Falls)	UW-Whitewater	169	0
		Total Federal Program 94.005		<u>42,481</u>	<u>0</u>
94.006		AmeriCorps	DOA	2,721,670	2,718,158
94.007		Planning and Program Development Grants	DOA	60,280	60,280
94.009		Training and Technical Assistance	DOA	121,365	18,925
Foster Grandparent/Senior Companion Cluster:					
94.011		Foster Grandparent Program	DHFS	1,188,956	1,081,761
		Total Foster Grandparent/Senior Companion Cluster		<u>1,188,956</u>	<u>1,081,761</u>
94.013		Volunteers in Service to America	DPI	207,842	0
		Subtotal Direct Programs		<u>5,183,078</u>	<u>4,362,860</u>
Subgrants:					
94.004		Learn and Serve America-School and Community Based Programs (from Cooperative Education Services Agency #9)	DPI	2,371	0
94.004	94.LSSIA015	Learn and Serve America-School and Community Based Programs (from State of Iowa Department of Education)	DPI	10,277	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
INDIVIDUAL PROGRAMS AND OTHER CLUSTERS					
94.004		Learn and Serve America-School and Community Based Programs (from Cooperative Educational Service Agency #2)	UW-Platteville	3,819	0
94.005		Learn and Serve America-Higher Education (from Temple University)	UW-Milwaukee	17,017	0
94.007		Planning and Program Development Grants (from National Youth Leadership Council)	UW-River Falls	69,645	0
		Subtotal Subgrants		<u>103,129</u>	<u>0</u>
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				<u>5,286,207</u>	<u>4,362,860</u>
U.S. SOCIAL SECURITY ADMINISTRATION:					
Disability Insurance/SSI Cluster:					
96.001		Social Security-Disability Insurance (Note 2)	DHFS	21,642,232	0
96.001		Social Security-Disability Insurance (Notes 2, 20)	DWD	<u>370,080</u>	<u>0</u>
		Total Disability Insurance/SSI Cluster		<u>22,012,312</u>	<u>0</u>
96.007		Social Security-Research and Demonstration	DHFS	993,787	0
Other Federal Financial Assistance:					
N/A	96.0600-98-32704; 0600-95-18362	Social Security Administration Death Records (Note 20)	DHFS	23,556	0
N/A	96.0600-98-32750; 0600-95-17707	Social Security Enumeration (Note 20)	DHFS	131,541	0
		Subtotal Direct Programs		<u>23,161,196</u>	<u>0</u>
Subgrants:					
96.007		Social Security-Research and Demonstration (from University of Illinois)	UW-Stout	<u>761</u>	<u>0</u>
TOTAL U.S. SOCIAL SECURITY ADMINISTRATION				<u>23,161,957</u>	<u>0</u>
TOTAL INDIVIDUAL PROGRAMS AND OTHER CLUSTERS				<u>\$ 6,561,300,604</u>	<u>\$ 1,574,833,995</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
N/A	02. RD	U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT: R&D	UW-Madison	\$ 3,716,224	\$ 1,952,300
N/A	02.AGR dtd 10/17/01	R&D Subgrants: Evaluation of Yak Crossbreeds as High Altitude Milk Cows on the Altiplano (from Association Liaison Office for University Cooperation in Development)	UW-Madison	29,428	0
N/A	02.AGR dtd 9/25/01	Local Initiatives for Watershed Management (from Association Liaison Office for University Cooperation in Development)	UW-Madison	27,010	7,143
N/A	02.4050-98-S-002	R&D Subgrants (from Development Alternatives, Inc.)	UW-Madison	13,245	0
N/A	02.AGR dtd 10/4/99	Project Colibries Proyecto Condor Procon (from Fundacion Antisana)	UW-Madison	3,157	0
N/A	02.RD	Molecular Marker Assisted Breeding for Resistance to Whitefly-Transmitted Geminiviruses (from Hebrew University of Jerusalem)	UW-Madison	802	0
N/A	02.AGR dtd 2/21/01	Identification of Peanut Genes and Gene Products Important in the Peanut Seed (from International Crops Research Institute)	UW-Madison	84,286	0
N/A	02.2001X060.UO W	Improved Assessments of Location, Spatial Extent and Area Intensity of Agricultural Land Use (from International Food Policy Research Institute)	UW-Madison	29,985	0
N/A	02.AGR dtd 5/15/89	Molecular Approaches to Control of Bean Golden Mozaic (from Michigan State University)	UW-Madison	61,182	5,000
N/A	02.TMG/LTC-9- 00	Assistance to CILSS in the Establishment of Land Tenure Observatories in Member Countries (from Mitchell Group, Inc.)	UW-Madison	56,404	0
N/A	02.AGR dtd 3/12/02	Documentation of a Cooperative Development Methodology (from National Cooperative Business Association)	UW-Madison	57,496	0
N/A	02.22145	Property Registration Database Population (from Organization of American States)	UW-Madison	19,693	0
N/A	02.GA6-114-A-00- 01-00111	Development of Land Markets in Georgia (from Terra Institute, Ltd.)	UW-Madison	66,903	0
N/A	02.120-20-24	Community Planning for Sustainable Livestock-Based Forested Ecosystems in Latin America (from University of California-Davis)	UW-Madison	315,930	191,369
N/A	02.121-20-23	Increased Lamb Production from Sheep Flocks in Central Asia (from University of California-Davis)	UW-Madison	37,801	0
N/A	02.RD309- 022/2265417	Genetic Approaches to Eliminate Aflatoxin Contamination of Peanuts (from University of Georgia)	UW-Madison	29,036	0
N/A	02.RC710- 006/5912994	Sustainable Agriculture and Natural Resource Management Systems (from University of Georgia)	UW-Madison	507,800	268,362
				<u>1,340,158</u>	<u>471,874</u>
TOTAL R&D FROM U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT				<u>5,056,382</u>	<u>2,424,174</u>
U.S. DEPARTMENT OF AGRICULTURE:					
10.001		Agricultural Research-Basic and Applied Research	UW-Madison	136,584	0
10.001		Agricultural Research-Basic and Applied Research	UW-Stevens Point	38,577	0
Total Federal Program 10.001				<u>175,161</u>	<u>0</u>
10.200		Grants for Agricultural Research, Special Research Grants	UW-Madison	2,133,388	865,781
10.200		Grants for Agricultural Research, Special Research Grants	UW-Parkside	55,148	0
Total Federal Program 10.200				<u>2,188,536</u>	<u>865,781</u>
10.202		Cooperative Forestry Research (from UW-Madison)	UW-Stevens Point	124,013	0
10.203		Payments to Agricultural Experiment Stations Under the Hatch Act	UW-Madison	5,566,097	0
10.206		Grants for Agricultural Research-Competitive Research Grants	UW-Madison	3,178,784	155,251
10.206		Grants for Agricultural Research-Competitive Research Grants	UW-Milwaukee	(119)	0
10.206		Grants for Agricultural Research-Competitive Research Grants	UW-La Crosse	26,843	0
10.206		Grants for Agricultural Research-Competitive Research Grants	UW-Oshkosh	119,552	0
10.206		Grants for Agricultural Research-Competitive Research Grants	UW-Parkside	40,894	0
10.206		Grants for Agricultural Research-Competitive Research Grants	UW-Stevens Point	4,505	0
Total Federal Program 10.206				<u>3,370,459</u>	<u>155,251</u>
10.217		Higher Education Challenge Grants	UW-Madison	71,511	0
10.224		Fund for Rural America-Research, Education, and Extension Activities	UW-Madison	64,485	3,168
10.302		Initiative for Future Agriculture and Food Systems	UW-Madison	1,005,064	369,525
10.303		Integrated Programs	UW-Madison	357,776	159,742
10.652		Forestry Research	UW-Madison	147,785	36,968
10.652		Forestry Research	UW-Milwaukee	2,134	0
Total Federal Program 10.652				<u>149,919</u>	<u>36,968</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
10.664		Cooperative Forestry Assistance	UW-Madison	40,498	0
10.664		Cooperative Forestry Assistance	UW-Milwaukee	13,223	0
10.664		Cooperative Forestry Assistance	UW-Stevens Point	9,746	0
		Total Federal Program 10.664		<u>63,467</u>	<u>0</u>
10.672		Rural Development, Forestry, and Communities	UW-Madison	26,658	0
10.902		Soil and Water Conservation	UW-Madison	4,320	0
10.902		Soil and Water Conservation	UW-La Crosse	7,538	0
		Total Federal Program 10.902		<u>11,858</u>	<u>0</u>
10.960		Technical Agricultural Assistance	UW-River Falls	12,000	0
N/A	10.RD	R&D from Agricultural Research Service	UW-Madison	1,643,533	95,336
N/A	10.RD	R&D from Cooperative State Research, Education and Extension Service	UW-Madison	259,981	0
N/A	10.RD	R&D from Forest Service	UW-Madison	589,821	0
N/A	10.RD	R&D	UW-Madison	628,418	143,352
N/A	10.PO 43-54B0-2-0016	Monitoring and Evaluation of Woodland Raptor	UW-Green Bay	12,686	0
N/A	10.00-CS-11090903-023	Superior National Forest Community Ecology	UW-Stevens Point	6,382	0
		Subtotal Direct R&D Grants		<u>16,327,825</u>	<u>1,829,123</u>
R&D Subgrants:					
10.200	10.38210-6431	Grants for Agricultural Research, Special Research Grants (from Cornell University)	UW-Madison	6,714	0
10.200	10.61-4132K; 4075E; 4075H; 4093B	Grants for Agricultural Research, Special Research Grants (from Michigan State University)	UW-Madison	77,550	0
10.200	10.4777D	Grants for Agricultural Research, Special Research Grants (from National Canola Research Program)	UW-Madison	25,964	0
10.200	10.4453 F	Grants for Agricultural Research, Special Research Grants (from North Dakota State University)	UW-Madison	(346)	0
10.200	10.C0203A-05	Grants for Agricultural Research, Special Research Grants (from Oregon State University)	UW-Madison	26,033	0
10.200	10.593-0244	Grants for Agricultural Research, Special Research Grants (from Purdue University)	UW-Madison	(625)	0
10.200	10.BAK165-04	Grants for Agricultural Research, Special Research Grants (from University of Idaho)	UW-Madison	1,398	0
10.200	10.01-353	Grants for Agricultural Research, Special Research Grants (from University of Illinois)	UW-Madison	5,000	0
10.200	10.25-6205-0030-019	Grants for Agricultural Research, Special Research Grants (from University of Nebraska)	UW-Madison	15,978	0
10.200	10.61-4142H; 4075I; 4075F	Grants for Agricultural Research, Special Research Grants (from Michigan State University)	UW-Milwaukee	37,325	0
10.200	10.RD	Grants for Agricultural Research, Special Research Grants (from University of Nebraska)	UW-Stevens Point	3,244	0
10.206	10.TIGR-01-005	Grants for Agricultural Research-Competitive Research Grants (from Institute of Genomic Research)	UW-Madison	11,211	0
10.206	10.RD	Grants for Agricultural Research-Competitive Research Grants (from Michigan State University)	UW-Madison	18,995	0
10.206	10.UKRF4-63342-01-185	Grants for Agricultural Research-Competitive Research Grants (from University of Kentucky Research Foundation)	UW-Madison	39,215	0
10.206	10.6239-0043-002	Grants for Agricultural Research-Competitive Research Grants (from University of Nebraska)	UW-Madison	19,053	0
10.217	10.61-4532B	Higher Education Challenge Grants (from Michigan State University)	UW-Madison	353	0
10.302	10.61-4295A	Initiative for Future Agriculture and Food Systems (from Michigan State University)	UW-Madison	21,358	0
10.302	10.483909; 483915	Initiative for Future Agriculture and Food Systems (from South Dakota State University)	UW-Madison	206,375	0
10.302	10.SC010306-1-3	Initiative for Future Agriculture and Food Systems (from University of Florida)	UW-Madison	17,258	0
10.302	10.H4116311101	Initiative for Future Agriculture and Food Systems (from University of Minnesota)	UW-Madison	24,580	0
10.302	10.25-6363-0006-015	Initiative for Future Agriculture and Food Systems (from University of Nebraska)	UW-Madison	45,368	17,251
10.303	10.AGR dtd 11/1/00	Integrated Programs (from Iowa State University)	UW-Madison	30,201	0
10.303	10.61-4164D; 4169A; 4169B	Integrated Programs (from Michigan State University)	UW-Madison	158,704	0
10.303	10.25-6324-0025-029	Integrated Programs (from University of Nebraska)	UW-Madison	175	0
10.652		Forestry Research (from Forestry Products Laboratory)	UW-La Crosse	(153)	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
10.769		Rural Business Enterprise Grants (from Poweshiek Water Association)	UW-La Crosse	16,569	0
N/A	10.US-2968-98C	Attenuated Brucella Melitensis Rough Rev 1 Vaccine (from Binational Agricultural Research and Development)	UW-Madison	51,060	0
N/A	10.CU-1000006710	Fish Mapping of Rice Chromosomes 3 and 10 (from Clemson University)	UW-Madison	18,318	0
N/A	10.AGR dtd 5/2/01	Developing Consumer-Driven Markets for Southern Wisconsin Farmers (from Cooperative Development Services Fund, Inc.)	UW-Madison	17,710	0
N/A	10.43-3AEM-1-80088	Income Volatility and Implications for Food Assistance Conference (from Economic Research Service)	UW-Madison	29,216	0
N/A	10.AGR dtd 9/13/00	Socio-Cultural Preservation Project (from Indian Lands Working Group)	UW-Madison	29,333	0
N/A	10.AGR dtd 1/5/01	New Herbicide Research (from IR-4 Center for Minor Crop Pest Management)	UW-Madison	(28)	0
N/A	10.11614; 61-4051B	IR-4 Program Food Use Projects (from Michigan State University)	UW-Madison	4,333	0
N/A	10.RF826993; RF852714	Effects of Pathogenic Variability in Verticillium Dahliae and Pratylenchus Penetrans (from Ohio State University)	UW-Madison	28,445	0
N/A	10.C0244A-H	Development of Promoters for Organ-Specific Expression of an Antifusarium Hordothionin Gene (from Oregon State University)	UW-Madison	26,191	0
N/A	10.3x-32091-130-62112	Center for Minority Land and Community Security (from Tuskegee University)	UW-Madison	209,641	32,522
N/A	10.C4116178101; H4169014201	R&D Subgrants (from University of Minnesota)	UW-Madison	22,054	0
N/A	10.01108891-2	Evaluating the Rosen Characteristic Demand Framework (from University of Missouri-Columbia)	UW-Madison	13,788	0
N/A	10.RD	R&D Subgrants (from University of Nebraska)	UW-Madison	37,362	0
		Subtotal R&D Subgrants		<u>1,294,920</u>	<u>49,773</u>
TOTAL R&D FROM U.S. DEPARTMENT OF AGRICULTURE				<u>17,622,745</u>	<u>1,878,896</u>
U.S. DEPARTMENT OF COMMERCE:					
11.303		Economic Development-Technical Assistance	UW-Milwaukee	98,823	0
11.417		Sea Grant Support	UW-Madison	1,954,859	0
11.417		Sea Grant Support	UW-Milwaukee	(32,334)	0
11.417		Sea Grant Support (from UW-Madison)	UW-Milwaukee	242,269	0
11.417		Sea Grant Support (from UW-Madison)	UW-Green Bay	19,887	0
11.417		Sea Grant Support (from UW-Madison)	UW-La Crosse	58,750	0
11.417		Sea Grant Support (from UW-Madison)	UW-Stevens Point	57,268	0
11.417		Sea Grant Support (from UW-Madison)	UW-Superior	(2,414)	0
11.417		Sea Grant Support (from UW-Madison)	UW Colleges	12,219	0
		Total Federal Program 11.417		<u>2,310,504</u>	<u>0</u>
11.420		Coastal Zone Management Estuarine Research Reserves	UW-Madison	15,422	0
11.426		Financial Assistance for National Centers for Coastal Ocean Science	UW-Milwaukee	84,588	0
11.431		Climate and Atmospheric Research	UW-Madison	209,945	0
11.431		Climate and Atmospheric Research	UW-Milwaukee	19,900	0
		Total Federal Program 11.431		<u>229,845</u>	<u>0</u>
11.609		Measurement and Engineering Research and Standards	UW-Madison	6,662	0
N/A	11.RD	R&D from National Oceanic and Atmospheric Administration	UW-Madison	3,339,645	0
N/A	11.50-SB-NB-6-C9192	R&D from National Institute of Standards and Technology	UW-Madison	7,519	0
		Subtotal Direct R&D Grants		<u>6,093,008</u>	<u>0</u>
R&D Subgrants:					
11.417	11.640-0911-1	Sea Grant Support (from Purdue University)	UW-Milwaukee	14,282	0
11.430	11.UAF 00-071	Undersea Research (from University of Alaska-Fairbanks)	UW-Madison	76,707	0
11.430	11.PSA 2267;	Undersea Research (from University of Connecticut)	UW-Milwaukee	139,789	0
	3194; 3196; 3197				
11.443	11.S00-18116	Short Term Climate Fluctuations (from University Corporation for Atmospheric Research)	UW-Milwaukee	15,216	0
N/A	11.UCAR S98-93861	Operational Prediction of Meso-Beta-Scale Weather in the Vicinity of the Western Great Lakes (from University Corporation for Atmospheric Research)	UW-Madison	31,693	0
		Subtotal R&D Subgrants		<u>277,687</u>	<u>0</u>
TOTAL R&D FROM U.S. DEPARTMENT OF COMMERCE				<u>6,370,695</u>	<u>0</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
U.S. DEPARTMENT OF DEFENSE:					
12.300		Basic and Applied Scientific Research	UW-Madison	2,658,529	194,945
12.300		Basic and Applied Scientific Research	UW-Milwaukee	66,559	0
		Total Federal Program 12.300		<u>2,725,088</u>	<u>194,945</u>
12.420		Military Medical Research and Development	UW-Madison	1,113,076	0
12.431		Basic Scientific Research	UW-Madison	27,979	0
12.630		Basic, Applied, and Advanced Research in Science and Engineering	UW-Madison	1,331,941	334,057
12.800		Air Force Defense Research Sciences Program	UW-Madison	1,528,568	154,676
12.901		Mathematical Sciences Grants Program	UW-Madison	90,957	0
12.901		Mathematical Sciences Grants Program	UW-Milwaukee	(229)	0
12.901		Mathematical Sciences Grants Program	UW-Stout	1,189	0
		Total Federal Program 12.901		<u>91,917</u>	<u>0</u>
12.910		Research and Technology Development	UW-Madison	2,123,523	678,594
N/A	12.DTRA01-01-C-0085	Methods for Improving Seismic Event Location Processing	UW-Madison	73,790	9,625
N/A	12.DSWA01-98-1-08	Seismic Event Location Analysis with Ground-Truth Datasets	UW-Madison	48,720	0
N/A	12.RD	R&D from Army	UW-Madison	4,592,930	704,833
N/A	12.RD	R&D from Navy	UW-Madison	460,320	0
N/A	12.RD	R&D from Air Force	UW-Madison	76,496	0
N/A	12.RD	R&D from Defense Advanced Research Projects Agency	UW-Madison	5,939,430	267,327
N/A	12.RD	R&D from Army Corps of Engineers	UW-La Crosse	32,234	0
N/A	12.PL 103-139	Forestry Services to Complete a Forestry Inventory and Assist with Preliminary Timber Sales Fieldwork at Fort McCoy	UW-Stevens Point	9,522	0
		Subtotal Direct R&D Grants		<u>20,175,534</u>	<u>2,344,057</u>
R&D Subgrants:					
12.114	12.245-6485	Collaborative Research and Development (from Princeton University)	UW-Madison	2,601	0
12.300	12.E-21-E73-G1	Basic and Applied Scientific Research (from Georgia Institute of Technology)	UW-Madison	78,394	0
12.300	12.57995	Basic and Applied Scientific Research (from Texas Engineering Experiment Station)	UW-Madison	76,992	800
12.300	12.CR-19126-430919	Basic and Applied Scientific Research (from Virginia Polytechnic Institute and State University)	UW-Madison	100,481	0
12.300	12.GC 167869	Basic and Applied Scientific Research (from Boston University)	UW-Eau Claire	14,048	0
12.420	12.AGR dtd 11/9/00	Military Medical Research and Development (from Rush University)	UW-Madison	82,898	0
12.420	12.AGR dtd 5/14/01	Military Medical Research and Development (from SLIL Biomedical Corporation)	UW-Madison	61,868	0
12.431	12.1036232	Basic Scientific Research (from University of California-Davis)	UW-Madison	110,248	0
12.431	12.G-7400-2	Basic Scientific Research (from Colorado State University)	UW-Milwaukee	42,671	0
12.630	12.99RA0734-05	Basic, Applied, and Advanced Research in Science and Engineering (from University of California-Davis)	UW-Madison	227,543	0
12.800	12.0650-350-WW37 UWM	Air Force Defense Research Sciences Program (from Northwestern University)	UW-Madison	61,854	0
12.900	12.CG 9818	Language Grant Program (from University of Maryland-Baltimore County)	UW-Milwaukee	109,940	0
12.910	12.543976-52299	Research and Technology Development (from Carnegie Mellon University)	UW-Milwaukee	68,843	0
N/A	12.AGR dtd 10/13/00	39th Annual Junior Sciences, Engineering and Humanities Symposium (from Academy of Applied Science)	UW-Madison	4,902	0
N/A	12.AC-01-01	Computational Tools for Optimized Design of Advanced Traveling Wave Tubes (from Analex Corporation)	UW-Madison	155,737	0
N/A	12.S01-24	Emergent Surveillance Plexus-Wireless Networking (from ARL Pennsylvania State University)	UW-Madison	59,081	0
N/A	12.AGR dtd 9/20/01	Development of Large Capacity Pulse-Tube Refrigerators (from Atlas Scientific)	UW-Madison	27,247	0
N/A	12.RQ0471	Advanced Lithography (from Bae Systems)	UW-Madison	65,299	0
N/A	12.SC-132383	Computer Code Analysis and Modeling Support for Advanced Launching System Technical Support (from Bae Systems)	UW-Madison	18,100	0
N/A	12.AGR dtd 11/1/01	Service Life Prediction of Concrete Reinforcing Materials for the Modular Hybrid Pier (from Berger/Abam Engineering, Inc.)	UW-Madison	20,671	0
N/A	12.DAR-0001	Detecting Early Infection using Stable Isotopes (from Blue Leaf Networks)	UW-Madison	18,182	0
N/A	12.PC279342	GAN Thyristors and Schottky Diodes (from California Institute of Technology)	UW-Madison	118,312	0
N/A	12.1005952	Silicon Heterogeneous Integration (from California Institute of Technology)	UW-Madison	80,674	0
N/A	12.PC290628	Technical Support for Advanced Air Pollution Emissions Testing (from California Institute of Technology)	UW-Madison	17,940	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
N/A	12.1694	Micromachined Shock Sensor Array for an Environmental Monitoring System (from Canopus System, Inc.)	UW-Madison	24,512	0
N/A	12.119528-1140027	Static Analysis to Empower Model Checking for Distributed Programs (from Carnegie Mellon University)	UW-Madison	184,444	0
N/A	12.406768	Target Heating, Target Threat Spectra and Chamber Studies (from Commonwealth Technology, Inc.)	UW-Madison	86,454	0
N/A	12.408166	Integrated Plan for Materials R&D in Laser Inertial Fusion Entergy (from Commonwealth Technology, Inc.)	UW-Madison	9,271	0
N/A	12.35352-6087	Complex Interactive Networks/Systems Initiative (from Cornell University)	UW-Madison	3,628	0
N/A	12.CIS2001-10	Better GAN Substrates Through Hvppe on Bulk Aln Substrates (from Crystal IS, Inc.)	UW-Madison	48,915	0
N/A	12.2FR5041	Efficient, Reliable, High-Power Vmdps for Linear Fiber-Optic Signal Transmission (from Focused Research, Inc.)	UW-Madison	8,403	0
N/A	12.200-1X-14J50112	Aim Phase I Program (from GE Aircraft Engines)	UW-Madison	91,193	0
N/A	12.101221	Antimonide-Based Compound Semiconductors Program (from HRL Laboratories, LLC)	UW-Madison	113,617	0
N/A	12.10209-0143	Cortical Architectures for Pattern Recognition (from Indiana University)	UW-Madison	37,852	0
N/A	12.AGR dtd 5/18/00	PSII High Energy Carbon Studies (from Kearfott Guidance and Navigation Corporation)	UW-Madison	761	0
N/A	12.N00167-99-M-1007	Implementation of Detailed Diesel Engine Models in the Parallel Kiva-3 Code (from Naval Surface Warfare Center, Carderock Division)	UW-Madison	658	0
N/A	12.F809575	Solidification and Processing of Mo-Si-B Alloys (from Pratt and Whitney)	UW-Madison	75,555	0
N/A	12.F809581	Thermodynamic Characterization Development Program (from Pratt and Whitney)	UW-Madison	58,045	0
N/A	12.040802-03	Undercooling and Nucleation Analysis for Bulk Glass Formation (from Questek Innovations, LLC)	UW-Madison	11,917	0
N/A	12.PY-1801	Optical Temperature Sensor for Aircraft Engines (from Stanford University)	UW-Madison	17,648	0
N/A	12.0145-G-BC323	Efficient and Comprehensive Circuit Interconnect Tuning Engines (from University of California-Los Angeles)	UW-Madison	36,581	0
N/A	12.00-233	Engineering Solutions for Robust and Efficient Microfluidic Biomolecular Systems (from University of Illinois-Urbana-Champaign)	UW-Madison	110,106	0
N/A	12.02-205	Dendritic Materials Systems: Use of Functional Materials in Cell Biology (from University of Illinois)	UW-Madison	26,079	0
N/A	12.M000013	Automotive Research Center: Powertrain System Modeling (from University of Michigan)	UW-Madison	34,372	0
N/A	12.63692	Monitoring and Managing Grassland Birds (from University of Tennessee)	UW-Madison	17,342	0
N/A	12.AGR dtd 6/5/01	Making Stormwater Basins Effective in Both Water Quality Improvement and Habitat Support Functions (from Wetlands Research, Inc.)	UW-Madison	11,649	0
N/A	12.10000	Design and Engineering of WIYN Instrument Adapter System (from WIYN Consortium, Inc.)	UW-Madison	40	0
N/A	12.S1127	Wide Angle Beam Propagation In Nonlinear (from Anteon Corporation)	UW-Milwaukee	23,720	0
N/A	12.158502	Development and Hardware Construction (from Arinc, Inc.)	UW-Milwaukee	(1,933)	0
N/A	12.DACA42-02-P-0014	Bacterial Detection of Explosive Compounds (from Nomadics, Inc.)	UW-Milwaukee	7,806	0
N/A	12.MOD-1	Investigation of Deadtime Effects and Compensation (from P.C. Krause and Associates)	UW-Milwaukee	541	0
N/A	12.DACW37-97-M-0750	Rochester Interchange (from Minnesota Department of Transportation)	UW-La Crosse	4,561	0
		Subtotal R&D Subgrants		<u>2,668,263</u>	<u>800</u>
		TOTAL R&D FROM U.S. DEPARTMENT OF DEFENSE		<u>22,843,797</u>	<u>2,344,857</u>
CENTRAL INTELLIGENCE AGENCY:					
N/A	13.2001-H-642800	Preparation and Characterization of Novel Fe (Vi) and Other Cathode Materials	UW-Madison	42,887	0
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:					
14.219		Community Development Block Grants/Small Cities Program	UW-La Crosse	29,325	0
14.506		General Research and Technology Activity	UW-Milwaukee	(15,000)	0
14.511		Community Outreach Partnership Center Program	UW-Milwaukee	12,461	0
N/A	14.RD	R&D	UW-Madison	<u>2,095</u>	<u>0</u>
		Subtotal Direct R&D Grants		<u>28,881</u>	<u>0</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
14.218		R&D Subgrants: Community Development Block Grants/Entitlement Grants (from Milwaukee County Department of Parks)	UW-Milwaukee	(17)	0
N/A	14.AGR dtd 1/22/02	Research on Affordable Housing Projects and Fair Labor Standards Administration (from City of Madison)	UW-Madison	14,449	0
				<u>14,432</u>	<u>0</u>
TOTAL R&D FROM U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				<u>43,313</u>	<u>0</u>
U.S. DEPARTMENT OF THE INTERIOR:					
15.035		Forestry on Indian Lands	UW-Stevens Point	36,837	0
15.608		Fish and Wildlife Management Assistance	UW-La Crosse	231	0
15.617		Wildlife Conservation and Appreciation	UW-Madison	13,186	0
15.805		Assistance to State Water Resources Research Institutes	UW-Madison	293,264	0
15.805		Assistance to State Water Resources Research Institutes (from UW-Madison)	UW-Stevens Point	11,185	0
Total Federal Program 15.805				<u>304,449</u>	<u>0</u>
15.807		Earthquake Hazards Reduction Program	UW-Madison	8,524	0
15.808		U.S. Geological Study-Research and Data Acquisition	UW-Madison	283,766	0
15.808		U.S. Geological Study-Research and Data Acquisition	UW-La Crosse	12,856	0
Total Federal Program 15.808				<u>296,622</u>	<u>0</u>
15.810		National Cooperative Geologic Mapping Program	UW-Madison	7,501	0
15.912		National Historic Landmark	UW-La Crosse	2,328	0
15.923		National Center for Preservation Technology and Training	UW-Oshkosh	13,680	0
15.978		Upper Mississippi River System Long Term Resource Monitoring Program	UW-La Crosse	1,439,372	0
N/A	15.RD	R&D from U.S. Fish and Wildlife Service	UW-Madison	5,883	0
N/A	15.RD	R&D from National Biological Service	UW-Madison	140	0
N/A	15.RD	R&D from U.S. Geological Survey	UW-Madison	111,977	0
N/A	15.RD	R&D	UW-Madison	4,514	0
N/A	15.H6068A00070	Silver Mount	UW-La Crosse	1,350	0
N/A	15.301811J022	Development of a Lake-Wide Lake Trout Population Model for Lake Superior	UW-Stevens Point	15,769	0
N/A	15.301811G026	Disturbance, Structure and Regeneration Patterns in Yellow River Floodplain Forests	UW-Stevens Point	4,864	0
N/A	15.13-00-7-0001	Ferrets at Conata Basins/Badlands	UW-Stevens Point	(265)	0
Subtotal Direct R&D Grants				<u>2,266,962</u>	<u>0</u>
R&D Subgrants:					
15.904		Historic Preservation Fund Grants-In-Aid (from La Crosse County)	UW-La Crosse	5,143	0
15.904		Historic Preservation Fund Grants-In-Aid (from Nebraska State Historical Society)	UW-La Crosse	985	0
15.914		National Register of Historic Places (from City of Chatfield)	UW-La Crosse	500	0
N/A	15.5834; 6738	Metapopulation Biology of Polygonella Basiramia, a Federally Endangered Florida Scrub (from Florida Department of Agriculture and Consumer)	UW-Madison	29,759	0
N/A	15.AGR dtd 9/21/01	Impacts of Mining and Related Issues on Natural Resources in the Ceded Territories (from Great Lakes Indian Fish and Wildlife Commission)	UW-Madison	7,000	0
N/A	15.AGR dtd 10/4/01	Assessment of Kansas Rural Mail Carrier Survey and Other Population Indices and Data (from State of Kansas)	UW-Madison	24,200	0
Subtotal R&D Subgrants				<u>67,587</u>	<u>0</u>
TOTAL R&D FROM U.S. DEPARTMENT OF THE INTERIOR				<u>2,334,549</u>	<u>0</u>
U.S. DEPARTMENT OF JUSTICE:					
16.560		National Institute of Justice Research, Evaluation, and Development Project Grants	UW-Milwaukee	130,625	0
16.562		Criminal Justice Research and Development-Graduate Research Fellowships	UW-Madison	3,723	0
16.580		Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	UW-Madison	983,875	610,030
N/A	16.2000-WT-VX- 005	Community Partnership Models Addressing Violence Against Migrant and Seasonal Farmworker Women	UW-Madison	88,843	0
N/A	16.2001-DD-BX- 0076	Families and Schools Together Project: Building Relationships	UW-Madison	54,270	0
Subtotal Direct R&D Grants				<u>1,261,336</u>	<u>610,030</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
16.523		R&D Subgrants: Juvenile Accountability Incentive Block Grants (from Trempeleau County Court Service)	UW-La Crosse	2,534	0
16.542	16.97S23	National Institute for Juvenile Justice and Delinquency Prevention (from George Washington University)	UW-Milwaukee	271,601	0
16.560		National Institute of Justice Research, Evaluation, and Development Project Grants (from Milwaukee Public Schools)	UW-Milwaukee	82,252	0
16.609		Community Prosecution and Project Safe Neighborhoods (from Milwaukee County)	UW-Milwaukee	2,061	0
N/A	16.AGR dtd 1/11/02	Red Cliff Anishinaabek Juvenile Justice Formative Evaluation (from First American Prevention Center)	UW-Madison	700	0
		Subtotal R&D Subgrants		<u>359,148</u>	<u>0</u>
		TOTAL R&D FROM U.S. DEPARTMENT OF JUSTICE		<u>1,620,484</u>	<u>610,030</u>
17.002		U.S. DEPARTMENT OF LABOR: Labor Force Statistics	UW-Milwaukee	1,867	0
N/A	17.4892	R&D Subgrants: National Longitudinal Survey of Youth (from National Opinion Research Center)	UW-Madison	127,762	0
		TOTAL R&D FROM U.S. DEPARTMENT OF LABOR		<u>129,629</u>	<u>0</u>
N/A	19.IA-ASPS- G7190294	U.S. DEPARTMENT OF STATE: Partnership of the African Studies Program	UW-Madison	15,999	0
N/A	19.AIAB65059	R&D Subgrants: Faculty, Program and Distance Learning Development (from Council for International Exchange of Scholars)	UW-Madison	3,708	0
N/A	19.AGR dtd 11/24/97	Effects of Variable Harvest Levels on Winter Populations of Northern Bobwhite in Kansas (from Kansas Department of Wildlife and Parks)	UW-Madison	(9,285)	0
N/A	19.CK 033320	Graduate Research Assistantship (from LASPAU Academic and Professional Programs for the Americas)	UW-Madison	9,616	0
N/A	19.816-4G	Courts and Markets in Russia: Analysis of the Implementation of Arbitrazh Court Decisions (from National Council for Eurasian and East European)	UW-Madison	20,976	0
		Subtotal R&D Subgrants		<u>25,015</u>	<u>0</u>
		TOTAL R&D FROM U.S. DEPARTMENT OF STATE		<u>41,014</u>	<u>0</u>
20.205		U.S. DEPARTMENT OF TRANSPORTATION: Highway Planning and Construction (from UW-Madison)	UW-Milwaukee	1,876	0
20.215		Highway Training and Education	UW-Milwaukee	7,352	0
N/A	20.DTFH61-00-C- 00020	Accelerated Test-Based Material Specifications for FRP Highway Bridge Applications	UW-Madison	135,212	40,756
N/A	20.DTRS99-G- 0005	Optimization of Transportation Investment and Operations	UW-Madison	809,193	160,280
N/A	20.RD	Evaluation of Shipper Requirements and Potential (from UW-Superior)	UW-Milwaukee	578	0
N/A	20.450G531, 144 HX50	Evaluation of Shipper Requirements and Potential Cargo Required to Establish a Rail-Truck-Marine Intermodal Terminal (from UW-Madison)	UW-Superior	(92,375)	0
		Subtotal Direct R&D Grants		<u>861,836</u>	<u>201,036</u>
20.205	20.A801124; A801113	R&D Subgrants: Highway Planning and Construction (from Midwest Regional University Transportation Center)	UW-Milwaukee	63,581	0
20.205	20.26-1118-007	Highway Planning and Construction (from University of Nebraska-Lincoln)	UW-Milwaukee	22,734	0
20.205		Highway Planning and Construction (from Ayres Associates)	UW-La Crosse	366	0
20.205		Highway Planning and Construction (from CHZM Hill, Inc.)	UW-La Crosse	71,782	0
20.205		Highway Planning and Construction (from Earth Tech, Inc.)	UW-La Crosse	1,834	0
20.205		Highway Planning and Construction (from Jewell and Associates, Inc.)	UW-La Crosse	1,582	0
20.205		Highway Planning and Construction (from Leech Lake Band of Ojibwa)	UW-La Crosse	18,884	0
20.205		Highway Planning and Construction (from Minnesota Department of Transportation)	UW-La Crosse	2,967	0
20.205		Highway Planning and Construction (from Vier Biker Association)	UW-La Crosse	7,364	0
20.701	20.1000.073055D	University Transportation Centers Program (from University of Colorado)	UW-Milwaukee	32,667	0
N/A	20.NCHRP 9-10	Superpave Protocols for Modified Asphalt Binders (from Asphalt Institute)	UW-Madison	6,381	0
N/A	20.AGR dtd 6/9/00	Madison Beltline Pilot ITS Deployment-Traffic Study (from HNTB Engineering Corporation)	UW-Madison	2,889	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
N/A	20.HR10-58	Construction Engineering and Management Research Program (from National Academy of Sciences)	UW-Madison	25,314	24,112
N/A	20.HR20-47	Quality and Accuracy of Positional Data in Transportation (from National Academy of Sciences)	UW-Madison	(35,201)	0
N/A	20.2001-177	Proposal to Provide Goes Cloud Products to TASC (from TASC, Inc.)	UW-Madison	5,318	0
N/A	20.Y701845	Modeling Intermodal and Wide-Area Traffic Flows (from University of Arizona)	UW-Madison	35,816	0
N/A	20.KK0021	Applications of Remote Sensing to Transportation Infrastructure Management (from University of California-Santa Barbara)	UW-Madison	146,724	0
N/A	20.144HX50 V32-12059AL	Long Range Deployment of Its Strategies (from Midwest Regional University Transportation Center)	UW-Milwaukee	15,318	0
N/A	20.AL-26-7021	Development of Improved Methods for Transit Service (from University of Alabama-Birmingham)	UW-Milwaukee	43,725	0
N/A	20.RD	Miscellaneous/Arch (from Minnesota Department of Transportation)	UW-La Crosse	4,590	0
		Subtotal R&D Subgrants		<u>474,635</u>	<u>24,112</u>
TOTAL R&D FROM U.S. DEPARTMENT OF TRANSPORTATION				<u>1,336,471</u>	<u>225,148</u>
U.S. DEPARTMENT OF THE TREASURY: R&D Subgrants:					
N/A	21.DBBA0002196	Hastings Army Reserve (from Adecco Technical)	UW-La Crosse	<u>2,032</u>	<u>0</u>
APPALACHIAN REGIONAL COMMISSION: R&D					
N/A	23.CO-12884Q		UW-Madison	<u>22,681</u>	<u>0</u>
U.S. GENERAL SERVICES ADMINISTRATION: R&D					
N/A	39.GS-01-P-02-CH-M-0013		UW-La Crosse	<u>2,289</u>	<u>0</u>
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION:					
43.001		Aerospace Education Services Program	UW-Milwaukee	21,964	0
43.001		Aerospace Education Services Program	UW-La Crosse	3,415	0
43.001		Aerospace Education Services Program (from UW-Milwaukee)	UW-La Crosse	14,554	0
43.001		Aerospace Education Services Program	UW-Oshkosh	<u>7,318</u>	<u>0</u>
		Total Federal Program 43.001		<u>47,251</u>	<u>0</u>
N/A	43.RD	R&D from Ames Research Center	UW-Madison	583,458	0
N/A	43.RD	R&D from Goddard Space Flight Center	UW-Madison	5,151,894	169,894
N/A	43.RD	R&D from Jet Propulsion Laboratory	UW-Madison	693,363	0
N/A	43.RD	R&D from Langley Research Center	UW-Madison	1,159,631	240,390
N/A	43.RD	R&D from Marshall Space Flight Center	UW-Madison	3,182,891	255,017
N/A	43.RD	R&D	UW-Madison	568,588	0
N/A	43.NCC-1-354	Pion Production Cross Sections	UW-Milwaukee	59,392	0
N/A	43.144JY33-BF-2002	Experimental Investigation of New Damage (from UW-Green Bay)	UW-Milwaukee	899	0
N/A	43.NGT5-40039; 40097	Wisconsin Space Grant Consortium	UW-Green Bay	233,882	3,500
N/A	43.NGT5-40039	Wisconsin Space Grant Consortium (from UW-Green Bay)	UW-Whitewater	<u>19,896</u>	<u>0</u>
		Subtotal Direct R&D Grants		<u>11,701,145</u>	<u>668,801</u>
R&D Subgrants:					
N/A	43.G00-1022X	Diffuse X-ray Emission from Nearby Spiral Galaxies (from AXAF Science Center)	UW-Madison	31,337	0
N/A	43.KSC012067	Butterfly and Brassica Education Project (from Dynamac Corporation)	UW-Madison	27,937	0
N/A	43.2400-60019	Planning of the Observations to be Made Using the Fuse Satellite (from Johns Hopkins University)	UW-Madison	243,087	0
N/A	43.DO2060	Continued Development and Testing of the St5000 Star Tracker (from Litton/PRC)	UW-Madison	111,056	0
N/A	43.R107378	World Deltas: Baseline and Changes (from Louisiana State University)	UW-Madison	14,199	0
N/A	43.520-0935-1	Control-Crew Network Communication During Routine and Non-Routine Events (from Purdue University)	UW-Madison	82,889	0
N/A	43.GO-08150.01-97A	Metallicity and Dust Content of HVC Complex C (from Space Telescope Science Institute)	UW-Madison	36,010	0
N/A	43.HST-HF-01144.01-A	Observational Tests of Pre-Main-Sequence Stellar Evolution Theory (from Space Telescope Science Institute)	UW-Madison	72,025	0
N/A	43.RD	R&D Subgrants (from Space Telescope Science Institute)	UW-Madison	197,954	0
N/A	43.97-21	Collaborative Support for a High Resolution, Wide Field-of-View Spectrometer for X-ray (from University of California)	UW-Madison	(13,862)	0
N/A	43.S00016745	Cosmic Origins Spectrograph (from University of Colorado)	UW-Madison	11,159	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
N/A	43.K-0-55025/3912	Healing Response of Injured Rodent Knee Ligaments (from University of Houston)	UW-Madison	46,806	0
N/A	43.FY2002-043	Validation of AMSR-E and AMSU/HSB Level-1 Brightness Temperatures and Level-2 Precipitation (from University of Kansas)	UW-Madison	10,251	0
N/A	43.CG98-01; CG97-16	R&D Subgrants (from University of Maryland-Baltimore County)	UW-Madison	21,373	0
N/A	43.668134/P4437	Infrared Algorithm Development for Ocean Observations with Eos/Modis (from University of Miami)	UW-Madison	44,641	0
N/A	43.R4056307201	Upper Midwest Regional Earth Science Application Center (from University of Minnesota)	UW-Madison	74,073	0
N/A	43.922244	Polar Exchange at the Sea Surface (from University of Washington)	UW-Madison	2,412	0
N/A	43.C922185	Gifts Sensor Module (from Utah State University Research Foundation)	UW-Madison	219,245	0
N/A	43.AGR dtd 5/17/00	Widely Disseminated Database of Exemplary Astronomy Teaching Resources (from Wisconsin Space Grant Consortium)	UW-Madison	4,000	0
N/A	43.AGR dtd 9/10/01	Space Education Initiatives (from Space Education Explorers)	UW-Green Bay	76,634	0
		Subtotal R&D Subgrants		1,313,226	0
		TOTAL R&D FROM NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		13,014,371	668,801
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES:					
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW-Madison	2,378	0
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW-River Falls	2,720	0
45.129		Promotion of the Humanities-Federal/State Partnership (from Wisconsin Humanities Council)	UW-Stout	3,203	0
45.149		Promotion of the Humanities-Division of Preservation and Access	UW-Madison	319,422	0
45.161		Promotion of the Humanities-Research	UW-Madison	(6,035)	0
45.312		Institute of Museum and Library Services-National Leadership Grants	UW-Milwaukee	11,836	0
N/A	45.IA-10146-01	R&D from Institute of Museum and Library Services	UW-Madison	575	0
N/A	45.02-4400-5008	R&D from National Endowment for the Arts	UW-Madison	16,001	0
N/A	45.RD	R&D from National Endowment for the Humanities	UW-Madison	551,456	0
N/A	45.FY96-136	Changing Face of Innocence: Wisconsin's Immigrant Children (from Wisconsin Humanities Council)	UW-Madison	169	0
		Subtotal Direct R&D Grants		901,725	0
		R&D Subgrants:			
N/A	45.18069	Suffering and the Prophetic Past and Future (from Northern Illinois University)	UW-Milwaukee	0	0
		TOTAL R&D FROM NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES		901,725	0
NATIONAL SCIENCE FOUNDATION:					
47.041		Engineering Grants	UW-Madison	5,367,248	3,000
47.041		Engineering Grants	UW-Milwaukee	438,004	0
		Total Federal Program 47.041		5,805,252	3,000
47.049		Mathematical and Physical Sciences	UW-Madison	15,714,160	522,484
47.049		Mathematical and Physical Sciences	UW-Milwaukee	1,654,482	0
47.049		Mathematical and Physical Sciences	UW-Eau Claire	213,282	0
47.049		Mathematical and Physical Sciences	UW-La Crosse	113,556	0
47.049		Mathematical and Physical Sciences	UW-Oshkosh	18,116	0
		Total Federal Program 47.049		17,713,596	522,484
47.050		Geosciences	UW-Madison	3,237,263	41,896
47.050		Geosciences	UW-Milwaukee	846,649	74,662
47.050		Geosciences	UW-Eau Claire	37,015	0
47.050		Geosciences	UW-Oshkosh	16,270	0
47.050		Geosciences	UW-Whitewater	20,437	0
		Total Federal Program 47.050		4,157,634	116,558
47.070		Computer and Information Science and Engineering	UW-Madison	5,888,800	520,051
47.070		Computer and Information Science and Engineering	UW-Milwaukee	200,613	0
47.070		Computer and Information Science and Engineering	UW-La Crosse	48,078	0
47.070		Computer and Information Science and Engineering	UW-Parkside	120,290	0
		Total Federal Program 47.070		6,257,781	520,051

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
47.074		Biological Sciences	UW-Madison	10,452,683	2,457,619
47.074		Biological Sciences	UW-Milwaukee	355,109	0
47.074		Biological Sciences	UW-Eau Claire	73,902	0
47.074		Biological Sciences	UW-Green Bay	7,605	0
47.074		Biological Sciences	UW-La Crosse	65,853	6,457
47.074		Biological Sciences	UW-Oshkosh	61,838	0
47.074		Biological Sciences	UW-Stout	95,240	0
47.074		Biological Sciences	UW-Whitewater	89,336	0
Total Federal Program 47.074				11,201,566	2,464,076
47.075		Social, Behavioral, and Economic Sciences	UW-Madison	1,858,300	5,625
47.075		Social, Behavioral, and Economic Sciences	UW-Milwaukee	48,844	0
47.075		Social, Behavioral, and Economic Sciences	UW-Eau Claire	610	0
47.075		Social, Behavioral, and Economic Sciences	UW-Green Bay	16,326	0
47.075		Social, Behavioral, and Economic Sciences	UW-Oshkosh	29,013	0
47.075		Social, Behavioral, and Economic Sciences	UW-Stout	3,856	0
47.075		Social, Behavioral, and Economic Sciences	UW-Whitewater	25,289	0
Total Federal Program 47.075				1,982,238	5,625
47.076		Education and Human Resources	UW-Madison	5,483,202	423,041
47.076		Education and Human Resources	UW-Milwaukee	42,229	0
47.076		Education and Human Resources	UW-Green Bay	(51)	0
47.076		Education and Human Resources	UW-Whitewater	698	0
Total Federal Program 47.076				5,526,078	423,041
47.078		Polar Programs	UW-Madison	4,174,416	292,056
47.078		Polar Programs	UW-Milwaukee	104,950	0
47.078		Polar Programs	UW-La Crosse	28,835	0
47.078		Polar Programs	UW-Oshkosh	22,489	0
47.078		Polar Programs (from UW-Madison)	UW-River Falls	2,715	0
Total Federal Program 47.078				4,333,405	292,056
N/A	47.RD	R&D	UW-Madison	566,123	250,270
N/A	47.RD	R&D	UW-Parkside	39,290	0
Subtotal Direct R&D Grants				57,582,963	4,597,161
R&D Subgrants:					
47.041	47.1004082-113619	Engineering Grants (from Carnegie Mellon University)	UW-Madison	64,174	0
47.041	47.37839-6482	Engineering Grants (from Cornell University)	UW-Madison	4,050	0
47.041	47.AGR dtd 8/27/01	Engineering Grants (from Harvard Bioscience/Mitoscan Corporation)	UW-Madison	18,171	0
47.041	47.737308	Engineering Grants (from Ohio State University)	UW-Madison	20,906	0
47.041	47.2178-UW-NSF-8598	Engineering Grants (from Pennsylvania State University)	UW-Madison	30,810	0
47.041	47.AGR dtd 2/20/02	Engineering Grants (from Portland Community College)	UW-Madison	16,062	0
47.041	47.503-1374-1	Engineering Grants (from Purdue University)	UW-Madison	54,400	0
47.041	47.4288-1	Engineering Grants (from Reaction Engineering International)	UW-Madison	15,000	0
47.041	47.EEC-9802942	Engineering Grants (from Texas A&M University)	UW-Madison	142,306	0
47.041	47.570038	Engineering Grants (from Texas Engineering Experimental Station)	UW-Madison	224,282	0
47.041	47.3000263711	Engineering Grants (from University of Michigan)	UW-Madison	20,000	0
47.041	47.DMI-0060 357	Engineering Grants (from Jun Tech, Inc.)	UW-Milwaukee	8,231	0
47.049	47.AGR dtd 12/19/01	Mathematical and Physical Sciences (from Colorado School of Mines)	UW-Madison	1,347	0
47.049	47.5710000596	Mathematical and Physical Sciences (from Massachusetts Institute of Technology)	UW-Madison	35,213	0
47.049	47.739792/RF009 01185	Mathematical and Physical Sciences (from Ohio State University Research Foundation)	UW-Madison	26,470	0
47.049	47.CHE-0103174	Mathematical and Physical Sciences (from Rice University)	UW-Madison	64,575	0
47.049	47.UF01074	Mathematical and Physical Sciences (from University of Florida)	UW-Milwaukee	6,317	0
47.049		Mathematical and Physical Sciences (from University of Tennessee)	UW-Stout	72,113	0
47.050	47.1816-UW-NSF-0545	Geosciences (from Pennsylvania State University)	UW-Madison	82,212	0
47.050	47.059564; 068278	Geosciences (from University of Southern California)	UW-Madison	41,944	0
47.050	47.02-003	Geosciences (from Arizona State University)	UW-Milwaukee	12,591	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
47.070	47.AGR dtd 6/26/00	Computer and Information Science and Engineering (from Computing Research Association)	UW-Madison	1,393	0
47.070	47.0830-350-Z601 WIS	Computer and Information Science and Engineering (from Northwestern University)	UW-Madison	46,839	0
47.070	47.500-3279-3; 3564-1	Computer and Information Science and Engineering (from Purdue University)	UW-Madison	17,917	0
47.070	47.UF00111	Computer and Information Science and Engineering (from University of Florida)	UW-Madison	400,788	0
47.070	47.02-229	Computer and Information Science and Engineering (from University of Illinois)	UW-Madison	93,866	0
47.070	47.795	Computer and Information Science and Engineering (from University of Illinois-Urbana-Champaign)	UW-Madison	969,461	29,273
47.070	47.443601	Computer and Information Science and Engineering (from University of Florida)	UW-Milwaukee	70,907	0
47.070	47.PACI 811	Computer and Information Science and Engineering (from University of Illinois)	UW-Milwaukee	53,410	0
47.070	47.BE5156	Computer and Information Science and Engineering (from Wright State University)	UW-Milwaukee	63,645	0
47.070		Computer and Information Science and Engineering (from University of California-San Francisco)	UW-Eau Claire	17,864	0
47.074	47.39023-6457	Biological Sciences (from Cornell University)	UW-Madison	27,891	0
47.074	47.420-40-29	Biological Sciences (from Iowa State University)	UW-Madison	71,562	0
47.074	47.61-2558W	Biological Sciences (from Michigan State University)	UW-Madison	332,711	0
47.074	47.500-3708-1	Biological Sciences (from Purdue University)	UW-Madison	77,368	0
47.074	47.P0001702	Biological Sciences (from San Diego State University Foundation)	UW-Madison	15	0
47.074	47.991365971	Biological Sciences (from University of California-Davis)	UW-Madison	126,057	0
47.074	47.UF01069	Biological Sciences (from University of Florida)	UW-Madison	72,677	0
47.074	47.RR167-348/9266954	Biological Sciences (from University of Georgia)	UW-Madison	148,004	0
47.074	47.G000954	Biological Sciences (from Washington State University)	UW-Milwaukee	9,733	0
47.075	47.542818-55148	Social, Behavioral, and Economic Sciences (from Carnegie Mellon University)	UW-Madison	4,009	0
47.075	47.27-3256-00-0-79-595-7700	Social, Behavioral, and Economic Sciences (from National Bureau of Economic Research, Inc.)	UW-Madison	19,809	0
47.075	47.SA3388-22382PG	Social, Behavioral, and Economic Sciences (from University of California-Berkeley)	UW-Madison	17,017	0
47.075	47.00-242	Social, Behavioral, and Economic Sciences (from University of Illinois)	UW-Madison	82,477	0
47.075		Social, Behavioral, and Economic Sciences (from National Research Council)	UW-Milwaukee	6,830	0
47.075		Social, Behavioral, and Economic Sciences (from Portland State University)	UW-Milwaukee	8,858	0
47.075		Social, Behavioral, and Economic Sciences (from U.S. Civilian Research and Development)	UW-Milwaukee	2,385	0
47.075		Social, Behavioral, and Economic Sciences (from National Academy of Sciences)	UW-Stevens Point	(2,346)	0
47.076	47.GV1-99-01587	Education and Human Resources (from American Institutes for Research)	UW-Madison	150,143	0
47.076	47.AGR dtd 8/28/01	Education and Human Resources (from Association of American Colleges and Universities)	UW-Madison	16,825	0
47.076	47.AGR dtd 11/16/98	Education and Human Resources (from Council of Chief State School Officers)	UW-Madison	59,780	0
47.076	47.AGR dtd 10/1/99	Education and Human Resources (from Education Development Center, Inc.)	UW-Madison	32,926	0
47.076	47.S0539A-A	Education and Human Resources (from Oregon State University)	UW-Madison	20,845	0
47.076	47.122-0770A	Education and Human Resources (from Research Foundation of State University of New York)	UW-Madison	51,388	0
47.076	47.R36040-24600098	Education and Human Resources (from Rice University)	UW-Madison	35,393	0
47.076	47.00S018/22642	Education and Human Resources (from University of Massachusetts)	UW-Madison	13,223	0
47.076	47.ESI-9714999/WI	Education and Human Resources (from University of Missouri)	UW-Madison	210,904	85,000
47.076	47.411854-G	Education and Human Resources (from University of Rochester)	UW-Madison	14,535	0
47.078	47.1016-06	Polar Programs (from H.T. Harvey and Associates)	UW-Madison	18,802	0
47.078	47.AGR dtd 4/10/01	Polar Programs (from University of Chicago)	UW-Madison	43,917	0
N/A	47.C10346A	Processing Spectra of the Sodium Emission from Io and Europa (from Association of Universities for Research in Astronomy)	UW-Madison	9,858	0
N/A	47.RD	Technology Transfer Agreement (from Compact Membrane Systems, Inc.)	UW-Madison	7,115	0
N/A	47.AGR dtd 3/29/01	Experimental Design for Measuring Effects of Teachers Using Data on Enacted Curriculum (from Council of Chief State School Officers)	UW-Madison	151,509	0
N/A	47.RD	Evaluation of the Advanced Networking Project with Minority Serving Institutions (from Educause)	UW-Madison	88,192	0
N/A	47.G-37-X71-G2	R&D Subgrants (from Georgia Institute of Technology)	UW-Madison	78,685	0
N/A	47.8202-53659	ITR/IM: Building the Framework of the National Virtual Observatory (from Johns Hopkins University)	UW-Madison	1,121	0
N/A	47.205-011	Evaluation of Molecular Structure and Function in an Undergraduate Curriculum (from Milwaukee School of Engineering)	UW-Madison	24,501	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
N/A	47.20-3307-00-0-79-504-7700	Economic Influences on Migration Decisions of Young Workers (from National Bureau of Economic Research, Inc.)	UW-Madison	13,205	0
N/A	47.AGR dtd 5/3/99	Math is Everywhere: Public Understanding and Engagement Mathematics Initiative (from National Council of Teachers of Mathematics)	UW-Madison	6,948	0
N/A	47.AGR dtd 3/2/99	Variscan Tectonometamorphic Evolution of the Southcarpathians, Romania: Evidence from Eclogite (from National Research Council)	UW-Madison	3,148	0
N/A	47.RD	Plant Genetic Structure as a Controlling Factor in Community and Ecosystem Functioning (from Northern Arizona University)	UW-Madison	60,448	0
N/A	47.0830-350-C697UW	Geoenvironmental Engineering: New and Strategic Curriculum (from Northwestern University)	UW-Madison	276	0
N/A	47.37061-7760001	Reduced Basis Methodologies for Computation, Analysis and Visualization of Biomolecular (from Rice University)	UW-Madison	73,909	0
N/A	47.F001314	Participation on Scientific Cruise of the Joides Resolution (from Texas A&M Research Foundation)	UW-Madison	13,721	0
N/A	47.Y541716	Functional Genomics of Chromatin: Global Control of Plant Gene Expression (from University of Arizona)	UW-Madison	469,370	0
N/A	47.SA2661JB	Development of Tools for Potato Functional Genomics: Application to Disease Resistance (from University of California-Berkeley)	UW-Madison	251,159	0
N/A	47.10152751	National Partnership for Academic Computing Infrastructure (from University of California-San Diego)	UW-Madison	392,066	0
N/A	47.880749	Enhancement of the Field-Tested Learning Assessment Guide Web Site (from University of New Mexico)	UW-Madison	(229)	0
N/A	47.885223	Flag Continuation Project (from University of New Mexico)	UW-Madison	48,322	0
N/A	47.UTA00-487	Model-Based Management of Adaptive Programs on the Computational Grid (from University of Texas-Austin)	UW-Madison	622	0
N/A	47.P9542391	CSMP Project Office (from University Corporation for Atmospheric Research)	UW-Madison	(28,223)	0
N/A	47.RE1-2065; UE2-2071	R&D Subgrants (from U.S. Civilian Research and Development Foundation for the Independent States of the Former Soviet Union)	UW-Madison	8,047	0
N/A	47.CR-19126-427756	CPES and ERC in Power Electronic Systems Management (from Virginia Polytechnical Institute and State University)	UW-Madison	553,697	0
N/A	47.CR-19126-427887	Low Cost Automotive Power Electronics (from Virginia Polytechnical Institute and State University)	UW-Madison	37,576	0
N/A	47.A100172	Constraints of the Genesis of Continental Crust Via Arc Magmatism (from Woods Hole Oceanographic Institute)	UW-Madison	59,637	0
N/A	47.RD	Fiber Optic Chloride Sensor for Concrete (from Intelligent Optical Systems)	UW-Milwaukee	15,191	0
		Subtotal R&D Subgrants		<u>6,710,873</u>	<u>114,273</u>
		TOTAL R&D FROM NATIONAL SCIENCE FOUNDATION		<u>64,293,836</u>	<u>4,711,434</u>
59.005		U.S. SMALL BUSINESS ADMINISTRATION: Business Development Assistance to Small Business	UW-Oshkosh	<u>2,465</u>	<u>0</u>
N/A	60.RD	SMITHSONIAN INSTITUTION: R&D	UW-Madison	<u>99,240</u>	<u>0</u>
N/A	64.RD	U.S. DEPARTMENT OF VETERANS AFFAIRS: R&D	UW-Madison	<u>187,889</u>	<u>0</u>
66.458		U.S. ENVIRONMENTAL PROTECTION AGENCY: Capitalization Grants for State Revolving Funds (from UW-Extension)	UW-Milwaukee	63,952	0
66.468		Capitalization Grants for Drinking Water State Revolving Fund	UW-Oshkosh	64,140	0
66.468		Capitalization Grants for Drinking Water State Revolving Fund (from UW-Oshkosh)	UW-River Falls	(23,205)	0
		Total Federal Program 66.468		<u>40,935</u>	<u>0</u>
66.469		Great Lakes Program	UW-Milwaukee	66,566	29,750
66.469		Great Lakes Program	UW-Green Bay	97,006	0
66.469		Great Lakes Program	UW-Superior	499,538	0
		Total Federal Program 66.469		<u>663,110</u>	<u>29,750</u>
66.500		Environmental Protection Consolidated Research	UW-Madison	444,617	66,369
66.500		Environmental Protection Consolidated Research (from UW-Green Bay)	UW-Madison	34,470	0
66.500		Environmental Protection Consolidated Research (from UW-Extension)	UW-Madison	33,599	0
66.500		Environmental Protection Consolidated Research	UW-La Crosse	41,856	37,221
66.500		Environmental Protection Consolidated Research (from UW-Madison)	UW-Stout	836	0
		Total Federal Program 66.500		<u>555,378</u>	<u>103,590</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
66.606		Surveys, Studies, Investigations and Special Purpose Grants	UW-Madison	18,260	0
66.606		Surveys, Studies, Investigations and Special Purpose Grants (from UW-Madison)	UW-Green Bay	9,380	0
66.606		Surveys, Studies, Investigations and Special Purpose Grants	UW-Stevens Point	262,448	0
		Total Federal Program 66.606		<u>290,088</u>	<u>0</u>
66.607		Training and Fellowships for the Environmental Protection Agency	UW-Madison	13,168	0
66.609		Children's Health Protection	UW-Madison	37,900	0
66.708		Pollution Prevention Grants Program (from UW-Extension)	UW-Madison	24,351	0
N/A	66.RD	R&D	UW-Madison	191,073	0
		Subtotal Direct R&D Grants		<u>1,879,955</u>	<u>133,340</u>
R&D Subgrants:					
66.472	66.CIML 20344	Beach Monitoring and Notification Program Development Grants (from City of Milwaukee Health Department)	UW-Milwaukee	2,650	0
66.500	66.1080004-107775	Environmental Protection Consolidated Research (from Carnegie Mellon University)	UW-Milwaukee	8,595	0
66.500	66.F001527	Environmental Protection Consolidated Research (from University of Michigan)	UW-Milwaukee	(61)	0
66.500	66.R-82867501-0	Environmental Protection Consolidated Research (from University of Minnesota)	UW-Green Bay	215,035	0
N/A	66.AGR 441	Determination of Removal Efficiencies of Emerging Waterborne Pathogens by Conventional (from American Water Works Association)	UW-Madison	3	0
N/A	66.375-837-1	Investigation of Methods for Perchlorate Destruction in Aqueous Waste Streams (from Clarkson University)	UW-Madison	667	0
N/A	66.99-13	Characterization of Emissions and Human Exposure to Metals Emitted from Motor Vehicles (from Health Effects Institute)	UW-Madison	83,782	0
N/A	66.960238Z1	R&D Subgrants (from Michigan Technological University)	UW-Madison	260	0
N/A	66.4600001825; 4400041246	Alternative Cover Assessment Program (from Science Application International Corporation)	UW-Madison	28,509	0
N/A	66.V970488	Afferent Neural Response of Lung Exposed to Diesel Exhaust Particulates (from University of Arizona)	UW-Madison	49,442	0
N/A	66.UTA01-204	Evaluation of Design, Monitoring and Modeling Issues Related to Engineered Covers of Waste (from University of Texas-Austin)	UW-Madison	98,303	0
N/A	66.WU-HT-00-14	St. Louis Particulate Matter Supersite-Sampling and Analysis of Carbonaceous Particulate Matter (from Washington University)	UW-Madison	60,578	0
N/A	66.AGR dtd 8/17/99	Lake Michigan Tributary Monitoring Project (from Great Lakes Commission)	UW-Green Bay	1,500	0
		Subtotal R&D Subgrants		<u>549,263</u>	<u>0</u>
		TOTAL R&D FROM U.S. ENVIRONMENTAL PROTECTION AGENCY		<u>2,429,218</u>	<u>133,340</u>
U.S. NUCLEAR REGULATORY COMMISSION:					
N/A	77.NRC-02-00-009	R&D	UW-Madison	26,239	0
R&D Subgrants:					
N/A	77.640-0812-1	Experimental Investigation of Interfacial Area Transport (from Purdue University)	UW-Milwaukee	66,158	0
		TOTAL R&D FROM U.S. NUCLEAR REGULATORY COMMISSION		<u>92,397</u>	<u>0</u>
U.S. DEPARTMENT OF ENERGY:					
81.049		Office of Science Financial Assistance Program	UW-Madison	16,339,976	514,800
81.049		Office of Science Financial Assistance Program	UW-Milwaukee	388,432	0
		Total Federal Program 81.049		<u>16,728,408</u>	<u>514,800</u>
81.086		Conservation Research and Development	UW-Madison	1,053,015	0
81.086		Conservation Research and Development	UW-Milwaukee	90,629	0
		Total Federal Program 81.086		<u>1,143,644</u>	<u>0</u>
81.087		Renewable Energy Research and Development	UW-Madison	206,068	0
81.087		Renewable Energy Research and Development	UW-Milwaukee	26,772	0
		Total Federal Program 81.087		<u>232,840</u>	<u>0</u>
81.114		University Nuclear Science and Reactor Support	UW-Madison	479,473	0
N/A	81.RD	R&D	UW-Madison	6,225,541	466,898
		Subtotal Direct R&D Grants		<u>24,809,906</u>	<u>981,698</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
		R&D Subgrants:			
81.049	81.046123	Office of Science Financial Assistance Program (from University of Southern California)	UW-Madison	(23)	0
81.049		Office of Science Financial Assistance Program (from Indiana University)	UW-Milwaukee	5,200	0
81.049	81.SIU-99-17	Office of Science Financial Assistance Program (from Southern Illinois University-Carbondale)	UW-Milwaukee	22,021	0
81.086	81.DE-FC01-97EE41318	Conservation Research and Development (from Rutgers, The State University of New Jersey)	UW-Milwaukee	199,455	0
81.087	81.OR22072	Renewable Energy Research and Development (from Consortium for Plant Biotechnology Research)	UW-Madison	20,909	0
81.112	81.443798; 468732	Stewardship Science Grant Program (from University of Florida)	UW-Madison	17,190	0
N/A	81.1F-02269	Maintenance and Support of Operational Arm Atmospheric Emitted Radiance Interferometer (from Argonne National Laboratory)	UW-Madison	70,495	0
N/A	81.2F-01122	Aeri Maintenance Summary (from Argonne National Laboratory)	UW-Madison	29,360	0
N/A	81.RD	R&D Subgrants (from Argonne National Laboratory)	UW-Madison	38,528	0
N/A	81.354799-AQ5	Fall 2000 Water Vapor IOP Support (from Battelle Memorial Institute Pacific Northwest)	UW-Madison	55,277	0
N/A	81.354491-AQ5	Maintenance and Support of Operational Arm Aeri Systems (from Battelle Memorial Institute Pacific Northwest)	UW-Madison	70,458	0
N/A	81.410296-A-A5	Aeri-00 Participation in Battelle Ir Variability Experiment (from Battelle)	UW-Madison	19,149	0
N/A	81.5536	3D Electromagnetic Numerical Analysis of an Electrical/Magnetometric Resistivity Measurement (from Bechtel BWXT)	UW-Madison	12,446	0
N/A	81.507542	Strand Development Program for High Gradient Quadrupoles (from Fermi National Accelerator Laboratory)	UW-Madison	812	0
N/A	81.01TP000292	Femp Stewardship Technology Project (from Fluor Fernald, Inc.)	UW-Madison	60,720	0
N/A	81.B506259	Analytical Mechanics-Based Modeling of Dynamic Fragmentation (from Lawrence Livermore National Laboratory)	UW-Madison	71,650	0
N/A	81.B515080	Integrated Climate and Carbon LDRD Strategic Initiative (from Lawrence Livermore National Laboratory)	UW-Madison	165,937	0
N/A	81.B504964	Paradyne Performance Tools on the Aix Platform (from Lawrence Livermore National Laboratory)	UW-Madison	23,498	0
N/A	81.AGR dtd 3/1/01	Determinants of Gene-for-Gene Resistance in Arabidopsis Thaliana (from Life Sciences Research Foundation)	UW-Madison	40,941	0
N/A	81.25692-001-01	Development of Inorganic Proton Conducting Membranes (from Los Alamos National Laboratory)	UW-Madison	41,343	0
N/A	81.35359-001-01	Shock Tube Investigation of the Richtmyer-Meshkov Instability (from Los Alamos National Laboratory)	UW-Madison	30,000	0
N/A	81.34097-001-01	Support of the Terrestrial Carbon Sequestration and Management Project (from Los Alamos National Laboratory)	UW-Madison	41,451	0
N/A	81.RD	R&D Subgrants (from Los Alamos National Laboratory)	UW-Madison	9,282	0
N/A	81.XCX-9-29204	Design and Test of a Resonant DC Voltage Link Conversion System (from National Renewable Energy Laboratory)	UW-Madison	112,258	0
N/A	81.XXL-9-29034	Development of Second Generation Ethanologenic Yeasts (from National Renewable Energy Laboratory)	UW-Madison	106,258	0
N/A	81.ZDH-9-29009	R&D Subgrants (from National Renewable Energy Laboratory)	UW-Madison	51	0
N/A	81.AGR dtd 6/30/00	Fusion Energy Sciences Graduate Fellowship (from Oak Ridge Institute for Science and Education)	UW-Madison	20,976	0
N/A	81.1990-UW-DOE-3974	Development of Technical Data to Validate Performance of Foundry Byproducts in Hot-Mix (from Pennsylvania State University)	UW-Madison	50,038	0
N/A	81.1911-UMW-DOE-5012	Interfacial Soil Chemistry of Radionuclides in the Unsaturated Zone (from Pennsylvania State University)	UW-Madison	51,826	0
N/A	81.AGR dtd 10/1/98	Neutron Detection System (from Princeton Electronic Systems, Inc.)	UW-Madison	(801)	0
N/A	81.BG-4891	Numerical Analysis of Logging in Deviated Oil Wells and Geothermal Reservoirs (from Sandia National Laboratories)	UW-Madison	70,796	0
N/A	81.19055	Reliability Studies for Electrothermal Microactuators (from Sandia National Laboratories)	UW-Madison	27,399	0
N/A	81.20727	Studies of Metal Combustion (from Sandia National Laboratories)	UW-Madison	102,122	0
N/A	81.13261	Virtual Geometry Functionality (from Sandia National Laboratories)	UW-Madison	110,606	0
N/A	81.20053	Z-Pinch Power Plant Study (from Sandia National Laboratories)	UW-Madison	130,016	0
N/A	81.RD	R&D Subgrants (from Sandia National Laboratories)	UW-Madison	44,263	0
N/A	81.SIUC 00-07	Soil Stabilization and Drying by Use of Fly Ash (from Southern Illinois University)	UW-Madison	64,013	0
N/A	81.TUL-119-01/02	Evaluating Integrated Models of Natural and Managed Ecosystems (from Tulane University)	UW-Madison	26,153	0
N/A	81.AGR dtd 11/3/99	Genetic Factors Affecting Susceptibility to Low-Dose Radiation (from University of Maryland)	UW-Madison	151,744	0
N/A	81.T5306497003	Gasoline Vehicle Exhaust Particle Sampling Study (from University of	UW-Madison	73,487	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
N/A	81.UNR-02-40	Adaptive Full-Spectrum Solar Energy Systems (from University of Nevada)	UW-Madison	91,294	0
N/A	81.410097-001G	Radiation Hydrodynamics Computer Code Development (from University of Rochester)	UW-Madison	230,359	0
N/A	81.OR-420-001.01	Cross-Platform Infrastructure for Scalable Runtime Application Performance Analysis (from University of Tennessee)	UW-Madison	55,956	0
N/A	81.19X-SZ718C	Fundamental Studies of Key Issues Underlying the Technology of High Temperature Superconductor (from UT-Battelle)	UW-Madison	69,026	0
N/A	81.4000011508	Socioeconomic Studies (from UT-Battelle)	UW-Madison	69,688	0
		Subtotal R&D Subgrants		<u>2,703,627</u>	<u>0</u>
		TOTAL R&D FROM U.S. DEPARTMENT OF ENERGY		<u>27,513,533</u>	<u>981,698</u>
U.S. DEPARTMENT OF EDUCATION:					
84.015		National Resource Centers and Fellowships Program for Language and Area or Language and International Studies	UW-Madison	26,131	0
84.017		International Research and Studies	UW-Madison	41	0
84.019		International: Overseas-Faculty Research Abroad	UW-Madison	6,361	0
84.021		International: Overseas-Group Projects Abroad	UW-Madison	97,413	15,000
84.022		International: Overseas-Doctoral Dissertation	UW-Madison	60,376	0
84.116		Fund for the Improvement of Postsecondary Education	UW-Madison	167,429	15,322
84.116		Fund for the Improvement of Postsecondary Education	UW-Milwaukee	184,709	184,709
		Total Federal Program 84.116		<u>352,138</u>	<u>200,031</u>
84.133		National Institute on Disability and Rehabilitation Research	UW-Madison	1,919,325	325,890
84.133		National Institute on Disability and Rehabilitation Research	UW-Milwaukee	188,504	0
84.133		National Institute on Disability and Rehabilitation Research	UW-Stout	794,965	31,039
		Total Federal Program 84.133		<u>2,902,794</u>	<u>356,929</u>
84.184		Safe and Drug-Free Schools and Communities-National Programs	UW-La Crosse	1,929	0
84.229		Language Resource Centers	UW-Madison	287,600	0
84.274		American Overseas Research Centers	UW-Madison	94,923	84,675
84.281		Eisenhower Professional Development State Grants (from UW System Admin)	UW-Madison	43,984	0
84.282		Charter Schools	UW-Madison	228,388	0
84.283		Comprehensive Regional Assistance Centers	UW-Madison	1,586,857	522,808
84.305		National Institute on Student Achievement, Curriculum, and Assessment	UW-Madison	2,182,425	666,695
84.324		Special Education-Research and Innovation to Improve Services and Results for Children with Disabilities	UW-Madison	1,181,767	67,700
84.324		Special Education-Research and Innovation to Improve Services and Results for Children with Disabilities (from UW-Madison)	UW-Milwaukee	325	0
		Total Federal Program 84.324		<u>1,182,092</u>	<u>67,700</u>
84.325		Special Education-Personnel Preparation to Improve Services and Results for Children with Disabilities	UW-Madison	84,387	0
84.335		Child Care Access Means Parents in School	UW-Madison	63,160	0
N/A	84.RD	R&D	UW-Madison	927,571	96,870
		Subtotal Direct R&D Grants		<u>10,128,570</u>	<u>2,010,708</u>
R&D Subgrants:					
84.024	84.H024S60006	Early Education for Children with Disabilities (from University of Illinois-Urbana-Champaign)	UW-Milwaukee	31,476	0
84.133	84.K-10-826-G2	National Institute on Disability and Rehabilitation Research (from Georgia Institute of Technology)	UW-Madison	113,115	0
84.133	84.UF01089	National Institute on Disability and Rehabilitation Research (from University of Florida)	UW-Madison	26,376	0
84.133	84.2-5-33483	National Institute on Disability and Rehabilitation Research (from University of Illinois-Chicago)	UW-Madison	56,564	0
84.184		Safe and Drug-Free Schools and Communities-National Programs (from Andrews University)	UW-La Crosse	74	0
84.186	84.PR3-12285	Safe and Drug-Free Schools and Communities-State Grants (from Milwaukee Board of School Directors)	UW-Milwaukee	37,299	0
84.287		Twenty-First Century Community Learning Centers (from Superior School District)	UW-La Crosse	11,834	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
84.305	84.AGR dtd 10/31/01	National Institute on Student Achievement, Curriculum, and Assessment (from Claremont University)	UW-Madison	76,360	0
84.305	84.0620 520	National Institute on Student Achievement, Curriculum, and Assessment (from Northwestern University)	UW-Madison	12,212	0
84.305	84.2187-IWM-W310 UW	National Institute on Student Achievement, Curriculum, and Assessment (from Pennsylvania State University)	UW-Madison	24,389	0
84.305	84.20271; 24180	National Institute on Student Achievement, Curriculum, and Assessment (from Research Foundation of State University of New York)	UW-Madison	810,123	0
84.306	84.96-7	National Institute on the Education of At-Risk Students (from Research Foundation of State University of New York)	UW-Madison	(85)	0
84.308	84.RD	National Institute on Educational Governance, Finance, Policymaking, and Management (from University of Pennsylvania)	UW-Madison	677,972	0
84.324	84.0698.10.179D-2	Special Education-Research and Innovation to Improve Services and Results for Children with Disabilities (from University of Colorado-Denver)	UW-Milwaukee	2,909	0
N/A	84.98-004	Validity of National Board for Professional Teaching Standards National Partnership (from Columbia University)	UW-Madison	6,749	0
N/A	84.61-5275B	Teacher Research as a Source for Teacher Learning Partnerships for Excellence and Accountability (from Michigan State University)	UW-Madison	9,833	0
Subtotal R&D Subgrants				<u>1,897,200</u>	<u>0</u>
TOTAL R&D FROM U.S. DEPARTMENT OF EDUCATION				<u>12,025,770</u>	<u>2,010,708</u>
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION:					
89.003		National Historical Publications and Records Grants	UW-Madison	286,850	0
89.003		National Historical Publications and Records Grants	UW-La Crosse	2,934	0
Total Federal Program 89.003				<u>289,784</u>	<u>0</u>
TOTAL R&D FROM NATIONAL ARCHIVES AND RECORDS ADMINISTRATION				<u>289,784</u>	<u>0</u>
U.S. INSTITUTE OF PEACE:					
N/A	91.SG-98-01	Local Autocracies in National Democracies: Making Societies Civil in Southeast Asia	UW-Madison	10,670	0
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
93.103		Food and Drug Administration-Research	UW-Madison	38,714	0
93.110		Maternal and Child Health Federal Consolidated Programs	UW-Madison	62,720	0
93.113		Biological Response to Environmental Health Hazards	UW-Madison	2,274,617	46,458
93.113		Biological Response to Environmental Health Hazards	UW-Milwaukee	518,157	60,147
Total Federal Program 93.113				<u>2,792,774</u>	<u>106,605</u>
93.114		Applied Toxicological Research and Testing	UW-Madison	143,912	0
93.121		Oral Diseases and Disorders Research	UW-Madison	291,647	0
93.161		Health Program for Toxic Substances and Disease Registry	UW-Milwaukee	10,074	0
93.172		Human Genome Research	UW-Madison	619,286	0
93.173		Research Related to Deafness and Communication Disorders	UW-Madison	5,443,500	108,987
93.173		Research Related to Deafness and Communication Disorders	UW-Milwaukee	162,320	0
Total Federal Program 93.173				<u>5,605,820</u>	<u>108,987</u>
93.186		National Research Services Awards	UW-Madison	(39,129)	0
93.208		Great Lakes Human Health Effects Research	UW-Milwaukee	33,456	0
93.213		Research and Training in Complementary and Alternative Medicine	UW-Madison	150,121	0
93.226		Research on Healthcare Costs, Quality and Outcomes	UW-Madison	936,161	153,249
93.230		Consolidated Knowledge Development and Application Program	UW-Madison	33,818	0
93.239		Policy Research and Evaluation Grants	UW-Madison	423,805	128,734
93.239		Policy Research and Evaluation Grants (from UW-Madison)	UW-Milwaukee	168,486	0
Total Federal Program 93.239				<u>592,291</u>	<u>128,734</u>
93.242		Mental Health Research Grants	UW-Madison	9,364,847	71,234
93.242		Mental Health Research Grants	UW-Milwaukee	809,326	0
Total Federal Program 93.242				<u>10,174,173</u>	<u>71,234</u>
93.262		Occupational Safety and Health Research Grants	UW-Madison	507,875	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
93.273		Alcohol Research Programs	UW-Madison	1,392,168	61,840
93.273		Alcohol Research Programs	UW-Milwaukee	494,218	0
		Total Federal Program 93.273		<u>1,886,386</u>	<u>61,840</u>
93.277		Career Development Awards	UW-Madison	117,515	0
93.278		Drug Abuse National Research Service Awards for Research Training	UW-Madison	26,650	0
93.278		Drug Abuse National Research Service Awards for Research Training	UW-Milwaukee	(2,334)	0
		Total Federal Program 93.278		<u>24,316</u>	<u>0</u>
93.279		Drug Abuse Research Programs	UW-Madison	1,531,221	111,271
93.279		Drug Abuse Research Programs	UW-Milwaukee	(11,034)	0
93.279		Drug Abuse Research Programs	UW-Eau Claire	89,203	0
		Total Federal Program 93.279		<u>1,609,390</u>	<u>111,271</u>
93.281		Mental Health Research Career/Scientist Development Awards	UW-Madison	193,001	0
93.282		Mental Health National Research Service Awards for Research Training	UW-Madison	165,303	0
93.282		Mental Health National Research Service Awards for Research Training	UW-Milwaukee	(1,273)	0
		Total Federal Program 93.282		<u>164,030</u>	<u>0</u>
93.283		Centers for Disease Control and Prevention-Investigations and Technical Assistance	UW-Madison	139,434	0
93.306		Comparative Medicine	UW-Madison	9,594,893	766,335
93.333		Clinical Research	UW-Madison	2,713,153	1,649,465
93.361		Nursing Research	UW-Madison	269,865	0
93.361		Nursing Research	UW-Milwaukee	470,300	0
		Total Federal Program 93.361		<u>740,165</u>	<u>0</u>
93.371		Biomedical Technology	UW-Madison	3,108,597	0
93.371		Biomedical Technology	UW-Milwaukee	64,695	0
		Total Federal Program 93.371		<u>3,173,292</u>	<u>0</u>
93.390		Academic Research Enhancement Award	UW-Milwaukee	42,002	0
93.390		Academic Research Enhancement Award	UW-La Crosse	27,222	0
		Total Federal Program 93.390		<u>69,224</u>	<u>0</u>
93.393		Cancer Cause and Prevention Research	UW-Madison	8,501,120	146,771
93.394		Cancer Detection and Diagnosis Research	UW-Madison	293,786	0
93.395		Cancer Treatment Research	UW-Madison	5,474,181	91,731
93.395		Cancer Treatment Research	UW-Milwaukee	86,626	0
		Total Federal Program 93.395		<u>5,560,807</u>	<u>91,731</u>
93.396		Cancer Biology Research	UW-Madison	3,813,091	35,000
93.397		Cancer Centers Support Grants	UW-Madison	4,925,179	436,311
93.398		Cancer Research Manpower	UW-Madison	840,636	0
93.399		Cancer Control	UW-Madison	3,947,954	134,869
93.399		Cancer Control (from UW-Madison)	UW-Milwaukee	10,134	0
		Total Federal Program 93.399		<u>3,958,088</u>	<u>134,869</u>
93.658		Foster Care-Title IV-E (from UW-Milwaukee)	UW-Madison	9,134	0
93.658		Foster Care-Title IV-E (from UW-Madison)	UW-Milwaukee	206,390	0
		Total Federal Program 93.658		<u>215,524</u>	<u>0</u>
93.647		Social Services Research and Demonstration	UW-Madison	6,479	0
93.821		Cell Biology and Biophysics Research	UW-Madison	7,472,039	69,856
93.821		Cell Biology and Biophysics Research	UW-Milwaukee	6,427	0
		Total Federal Program 93.821		<u>7,478,466</u>	<u>69,856</u>
93.837		Heart and Vascular Diseases Research	UW-Madison	9,738,052	51,199
93.838		Lung Diseases Research	UW-Madison	6,255,535	180,426
93.839		Blood Diseases and Resources Research	UW-Madison	2,481,054	243,859
93.846		Arthritis, Musculoskeletal and Skin Diseases Research	UW-Madison	3,425,771	259,340

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
93.847		Diabetes, Endocrinology and Metabolism Research	UW-Madison	3,956,032	79,830
93.847		Diabetes, Endocrinology and Metabolism Research	UW-Milwaukee	36,110	0
93.847		Diabetes, Endocrinology and Metabolism Research	UW-La Crosse	196	0
		Total Federal Program 93.847		<u>3,992,338</u>	<u>79,830</u>
93.848		Digestive Diseases and Nutrition Research	UW-Madison	1,155,099	0
93.849		Kidney Diseases, Urology and Hematology Research	UW-Madison	2,477,239	0
93.853		Extramural Research Programs in the Neurosciences and Neurological Disorders	UW-Madison	3,684,360	0
93.855		Allergy, Immunology and Transplantation Research	UW-Madison	4,227,154	0
93.855		Allergy, Immunology and Transplantation Research	UW-Milwaukee	24,415	0
		Total Federal Program 93.855		<u>4,251,569</u>	<u>0</u>
93.856		Microbiology and Infectious Diseases Research	UW-Madison	10,836,264	437,125
93.856		Microbiology and Infectious Diseases Research	UW-La Crosse	30,422	0
93.856		Microbiology and Infectious Diseases Research	UW-Stevens Point	25,836	0
		Total Federal Program 93.856		<u>10,892,522</u>	<u>437,125</u>
93.859		Pharmacology, Physiology, and Biological Chemistry Research	UW-Madison	5,890,118	0
93.862		Genetics and Developmental Biology Research and Research Training	UW-Madison	9,712,307	0
93.862		Genetics and Developmental Biology Research and Research Training	UW-Parkside	172,446	0
		Total Federal Program 93.862		<u>9,884,753</u>	<u>0</u>
93.864		Population Research	UW-Madison	3,470,891	0
93.864		Population Research (from UW-Madison)	UW-Milwaukee	(14,119)	0
93.864		Population Research	UW-Green Bay	17,981	0
		Total Federal Program 93.864		<u>3,474,753</u>	<u>0</u>
93.865		Center for Research for Mothers and Children	UW-Madison	6,396,988	191,207
93.866		Aging Research	UW-Madison	6,949,691	849,734
93.866		Aging Research	UW-River Falls	38,523	0
		Total Federal Program 93.866		<u>6,988,214</u>	<u>849,734</u>
93.867		Vision Research	UW-Madison	7,722,875	396,205
93.867		Vision Research	UW-Oshkosh	28,193	0
		Total Federal Program 93.867		<u>7,751,068</u>	<u>396,205</u>
93.879		Medical Library Assistance	UW-Madison	1,370,257	6,865
93.894		Resource and Manpower Development in the Environmental Health Sciences	UW-Madison	868,883	0
93.894		Resource and Manpower Development in the Environmental Health Sciences	UW-Milwaukee	430,344	0
		Total Federal Program 93.894		<u>1,299,227</u>	<u>0</u>
93.918		Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	UW-Madison	413,955	0
93.929		Center for Medical Rehabilitation Research	UW-Milwaukee	84,397	18,046
93.934		Fogarty International Research Collaboration Award	UW-Madison	36,024	0
93.941		HIV Demonstration, Research, Public and Professional Education Projects	UW-Madison	9,714	0
93.944		Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	UW-Madison	187,591	94,859
93.960		Special Minority Initiatives	UW-La Crosse	79,525	53,145
N/A	93.RD	R&D from Office of the Secretary	UW-Madison	610,179	6,663
N/A	93.RD	R&D from Centers for Disease Control	UW-Madison	22,947	0
N/A	93.RD	R&D from Centers for Medicare and Medicaid Services	UW-Madison	7,232,555	6,831,643
N/A	93.RD	R&D from Substance Abuse and Mental Health Services Administration	UW-Madison	7	0
N/A	93.RD	R&D from Health Resources and Services Administration	UW-Madison	42,620	25,830
N/A	93.RD	R&D from National Institutes of Health	UW-Madison	3,976,103	51,173
N/A	93.6F31NR07596	Experiences of Caregivers of Children	UW-Milwaukee	9,391	0
	02	Subtotal Direct R&D Grants		<u>182,085,613</u>	<u>13,849,407</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
R&D Subgrants:					
93.113	93.2000-009N-WI; AGR dtd 9/17/01	Biological Response to Environmental Health Hazards (from Northwestern University)	UW-Madison	38,844	0
93.114	93.AGR dtd 11/5/01	Applied Toxicological Research and Testing (from Medical College of Wisconsin, Inc.)	UW-Madison	20,814	0
93.127	93.5 H34 MC086	Emergency Medical Services for Children (from Medical College of Wisconsin, Inc.)	UW-Milwaukee	9,820	0
93.172	93.WU 01-83; WU 02-44	Human Genome Research (from Washington University)	UW-Madison	50,665	0
93.172	93.B8476001202	Human Genome Research (from University of Minnesota)	UW-Milwaukee	28,449	0
93.173	93.AGR dtd 7/10/01; 4/15/02	Research Related to Deafness and Communication Disorders (from American Speech, Language and Hearing Association)	UW-Madison	192,679	0
93.173	93.AGR dtd 1/25/00; 2/22/01	Research Related to Deafness and Communication Disorders (from Case Western Reserve University)	UW-Madison	27,415	0
93.173	93.40895; 61340; 76501	Research Related to Deafness and Communication Disorders (from University of Iowa)	UW-Madison	158,588	0
93.173	93.397724	Research Related to Deafness and Communication Disorders (from University of Washington)	UW-Madison	92,651	0
93.173		Research Related to Deafness and Communication Disorders (from University of Illinois)	UW-Milwaukee	38	0
93.226	93.AGR dtd 2/27/01	Research on Healthcare Costs, Quality and Outcomes (from Harvard Medical School)	UW-Madison	112,533	0
93.226	93.AGR dtd 10/2/01	Research on Healthcare Costs, Quality and Outcomes (from University of Chicago)	UW-Madison	75,239	0
93.230		Consolidated Knowledge Development and Application Program (from University of Connecticut Health Center)	UW-Milwaukee	778	0
93.242	93.1001564	Mental Health Research Grants (from Carnegie Mellon University)	UW-Madison	19,650	0
93.242	93.02-SC-NIH-1004	Mental Health Research Grants (from Duke University)	UW-Madison	79,073	0
93.242	93.458090-000	Mental Health Research Grants (from Medical College of Wisconsin, Inc.)	UW-Madison	7,621	0
93.242	93.AGR dtd 5/29/02	Mental Health Research Grants (from Prairie Technologies)	UW-Madison	876	0
93.242	93.SP10091; SP10245	Mental Health Research Grants (from University of Massachusetts)	UW-Madison	37,107	0
93.242	93.GC 00402	Mental Health Research Grants (from University of Massachusetts Medical Center)	UW-Madison	(261)	0
93.242	93.R01MH57545-04	Mental Health Research Grants (from Eastern Virginia Medical School)	UW-Milwaukee	(3,264)	0
93.242	93.419576	Mental Health Research Grants (from Medical College of Wisconsin, Inc.)	UW-Milwaukee	223,137	0
93.262	93.AGR dtd 5/11/01	Occupational Safety and Health Research Grants (from Marshfield Medical Research Foundation)	UW-Madison	27,550	0
93.262	93.2005151	Occupational Safety and Health Research Grants (from University of Utah)	UW-Milwaukee	74,888	0
93.263		Occupational Safety and Health-Training Grants (from University of Minnesota)	UW-Stout	12,739	0
93.273	93.Y-304782	Alcohol Research Programs (from Wayne State University)	UW-Madison	13,527	0
93.273	93.1 R01 AA13567	Alcohol Research Programs (from Medical College of Wisconsin, Inc.)	UW-Milwaukee	13,228	0
93.283	93.15510; 797224A5	Centers for Disease Control and Prevention-Investigations and Technical Assistance (from City of Milwaukee)	UW-Milwaukee	84,872	0
93.283	93.PR3-10402; 13024	Centers for Disease Control and Prevention-Investigations and Technical Assistance (from Milwaukee Public Schools)	UW-Milwaukee	5,326	0
93.306	93.AGR dtd 12/21/00	Comparative Medicine (from American Type Culture Collection)	UW-Madison	277,978	0
93.306	93.ORPRC 035339	Comparative Medicine (from Oregon Regional Primate Center)	UW-Madison	(3,361)	0
93.306	93.AGR dtd 11/2/00	Comparative Medicine (from Temple University)	UW-Madison	34,315	0
93.306	93.AGR dtd 5/12/00	Comparative Medicine (from University of Alabama)	UW-Madison	35,631	0
93.333	93.990901	Clinical Research (from Gammex, Inc.)	UW-Madison	32,346	0
93.361	93.7R01 NR05004	Nursing Research (from Marquette University)	UW-Milwaukee	2,328	0
93.389	93.205-00F; 205-02D	Research Infrastructure (from Milwaukee School of Engineering)	UW-Madison	41,456	0
93.393	93.737322	Cancer Cause and Prevention Research (from Ohio State University Research Foundation)	UW-Madison	78,554	0
93.393	93.4-62233-99-22	Cancer Cause and Prevention Research (from University of Kentucky Research Foundation)	UW-Madison	59,676	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
93.394	93.AGR dtd 5/22/01	Cancer Detection and Diagnosis Research (from University of Texas)	UW-Madison	45,025	0
93.395	93.4-63155-00-49	Cancer Treatment Research (from University of Kentucky)	UW-Madison	62,021	0
93.395	93.UWM21100	Cancer Treatment Research (from Frontier Science and Technology Research Foundation)	UW-Madison	1,371	0
93.396	93.AGR dtd 9/19/00	Cancer Biology Research (from Yale University)	UW-Madison	30,048	0
93.399	93.AGR dtd 9/20/01; 8/1/02	Cancer Control (from Mayo Clinic)	UW-Madison	117,333	0
93.399	93.PFED15-WIS-01	Cancer Control (from NSABP Foundation, Inc.)	UW-Madison	34,710	0
93.399	93.AGR dtd 6/1/01	Cancer Control (from Southwest Oncology Group)	UW-Madison	974	0
93.399	93.410980-G	Cancer Control (from University of Rochester)	UW-Madison	10,077	0
93.558		Temporary Assistance for Needy Families (from Silver Spring Neighborhood Center)	UW-Milwaukee	24,844	0
93.647	93.0600 520 W300	Social Services Research and Demonstration (from Northwestern University)	UW-Madison	12,981	0
93.670	93.GC10724-115788	Child Abuse and Neglect Discretionary Activities (from University of Virginia)	UW-Madison	11,156	0
93.837	93.AGR dtd 11/13/01	Heart and Vascular Diseases Research (from Medical College of Wisconsin, Inc.)	UW-Madison	8,303	0
93.838	93.AGR dtd 7/10/00; 1/8/02	Lung Diseases Research (from Brigham and Women's Hospital)	UW-Madison	46,503	0
93.846	93.AGR dtd 9/11/01; 12/18/01	Arthritis, Musculoskeletal and Skin Diseases Research (from University of Tennessee)	UW-Madison	23,324	0
93.847	93.B6367246501	Diabetes, Endocrinology and Metabolism Research (from University of Minnesota)	UW-Madison	77,763	0
93.848	93.AGR dtd 10/16/01	Digestive Diseases and Nutrition Research (from University of Alabama)	UW-Madison	9,357	0
93.849	93.CK 343539	Kidney Diseases, Urology and Hematology Research (from Long Island Jewish Medical Center)	UW-Madison	4,227	0
93.853	93.GC172226 NGC	Extramural Research Programs in the Neurosciences and Neurological Disorders (from Boston University)	UW-Madison	17,467	0
93.853	93.AGR dtd 10/25/01	Extramural Research Programs in the Neurosciences and Neurological Disorders (from University of Minnesota)	UW-Madison	22,430	0
93.853	93.CK 123108	Extramural Research Programs in the Neurosciences and Neurological Disorders (from Wake Forest University)	UW-Madison	12,845	0
93.855	93.CK 207156	Allergy, Immunology and Transplantation Research (from New York Medical College)	UW-Madison	3,287	0
93.855	93.532027	Allergy, Immunology and Transplantation Research (from University of Pennsylvania)	UW-Madison	(2,929)	0
93.856	93.AGR dtd 12/18/00	Microbiology and Infectious Diseases Research (from MCP Hahnemann University)	UW-Madison	24,394	0
93.856	93.0600-370- XA94 WIS; XAC1	Microbiology and Infectious Diseases Research (from Northwestern University)	UW-Madison	50,032	0
93.856	93.78689	Microbiology and Infectious Diseases Research (from Research and Education Institute)	UW-Madison	27,725	0
93.856	93.AGR dtd 8/17/00	Microbiology and Infectious Diseases Research (from University of Cincinnati)	UW-Madison	42,545	0
93.856	93.K6286171201; F6286171202	Microbiology and Infectious Diseases Research (from University of Minnesota)	UW-Madison	215,129	0
93.856	93.411784-G	Microbiology and Infectious Diseases Research (from University of Rochester)	UW-Madison	65,835	0
93.856	93.AGR dtd 12/4/01	Microbiology and Infectious Diseases Research (from Yale University)	UW-Madison	6,049	0
93.859	93.00-262; 01- 127	Pharmacology, Physiology, and Biological Chemistry Research (from University of Illinois)	UW-Madison	123,634	0
93.862	93.AGR dtd 3/27/02	Genetics and Developmental Biology Research and Research Training (from Third Wave Technologies, Inc.)	UW-Madison	32,975	0
93.865	93.0600 520 X312	Center for Research for Mothers and Children (from Northwestern University)	UW-Madison	13,156	0
93.865	93.F004676	Center for Research for Mothers and Children (from University of Michigan)	UW-Madison	160,731	0
93.865	93.5R01HD36186 04	Center for Research for Mothers and Children (from University of Alabama-Birmingham)	UW-Milwaukee	1,836	0
93.866	93.30.6694.91177	Aqina Research (from Beckman Research Institute of the City of Hope)	UW-Madison	11,777	0
93.866	93.00RA5408-2	Aqina Research (from University of California)	UW-Madison	3,009	0
93.866	93.5-34425-B	Aging Research (from University of Pennsylvania)	UW-Madison	90,303	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
93.866	93.691279	Aging Research (from University of Washington)	UW-Madison	103,400	0
93.866	93.00980-520-Y208; 0600-520-D327	Aging Research (from Northwestern University)	UW-Parkside	(15,751)	0
93.867	93.8010-36784; 8112-71280; 820493061	Vision Research (from Johns Hopkins University)	UW-Madison	19,524	0
93.867	93.5-35443; 36196; 36734; 37993D	Vision Research (from University of Pennsylvania)	UW-Madison	132,338	0
93.867	93.411766-G	Vision Research (from University of Rochester)	UW-Madison	33,618	0
93.867	93.H16534; H20253; H22921	Vision Research (from University of Southern California)	UW-Madison	292,606	0
93.867	93.201-6-2150	Vision Research (from University of Texas Health Science Center)	UW-Madison	58,216	0
93.867	93.WU-99-29	Vision Research (from Washington University)	UW-Madison	26,214	0
93.867		Vision Research (from WICAB, Inc.)	UW-Milwaukee	14,405	0
93.941	93.482318-000	HIV Demonstration, Research, Public and Professional Education Projects (from Medical College of Wisconsin, Inc.)	UW-Madison	17,115	0
93.943	93.PR3-11142 C-011142	Epidemiologic Research Studies of Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) Infection in Selected Population Groups (from Milwaukee Public Schools)	UW-Milwaukee	2,789	0
N/A	93.AGR dtd 11/28/01	Midwest AIDS Training and Education Center of Wisconsin (from AIDS Resource Center of Wisconsin, Inc.)	UW-Madison	51,399	0
N/A	93.9526-3878	Randomized Controlled Trial of Fat Reduction, Calcium Vitamin D Supplementation (from Albert Einstein College of Medicine)	UW-Madison	2,610	0
N/A	93.AGR dtd 4/30/01	ACR Imaging Network MRIs (from American College of Radiology)	UW-Madison	2,999	0
N/A	93.AGR dtd 1/16/02	Outcomes and Quality of Life Measures for Acrin (from American College of Radiology)	UW-Madison	50,309	0
N/A	93.CK 75815; AGR dtd 3/14/02	Radiation Therapy Oncology Group (from American College of Radiology)	UW-Madison	44,620	0
N/A	93.AGR dtd 1/24/95	Evaluation of the Intensive AODA Day Treatment Program for Pregnant and Postpartum Women (from ARC Community Services, Inc.)	UW-Madison	(17,312)	0
N/A	93.AGR dtd 4/16/02	Interdisciplinary Faculty Development Program in Substance Abuse Education (from Association for Medical Education)	UW-Madison	6,938	0
N/A	93.RD	Atrial Fibrillatoin Follow-up Investigation of Rhythm Management (from Axio Research Corporation)	UW-Madison	984	0
N/A	93.30.6694.91208 0	Mapping Interactive Cancer Susceptibility (from Beckman Research Institute of the City of Hope)	UW-Madison	58,316	0
N/A	93.1395205	Social Security Reform and the Exchange of Bequests for Elder Care (from Boston College)	UW-Madison	2,048	0
N/A	93.MC-372338-D-TB; MC-401115-D-JW	Cardiovascular Risk in Sleep Apnea: Framingham Study (from Boston University)	UW-Madison	18,157	0
N/A	93.AGR dtd 8/8/02	Pharmacogenetics of Asthma Treatment (from Brigham and Women's Hospital)	UW-Madison	13,377	0
N/A	93.1020-48	Healthy and Productive Organizations in Construction Industry (from Center to Protect Workers Rights)	UW-Madison	53,167	0
N/A	93.AGR dtd 1/29/02	Modifiers of Early Pancreatic Injury in Cystic Fibrosis (from Children's Hospital of Denver)	UW-Madison	18,816	0
N/A	93.5948595; AGR dtd 2/26/02; 7/18/02	Biology and Therapy of High Risk Neuroblastoma (from Children's Hospital of Los Angeles)	UW-Madison	88,813	0
N/A	93.AGR dtd 11/29/01	Child Care Initiative (from City of Madison)	UW-Madison	28,439	0
N/A	93.AGR dtd 6/5/01	Molecular Mechanisms of Schwann Cell Myelination (from Cleveland Clinic Foundation)	UW-Madison	7,416	0
N/A	93.AGR dtd 2/10/00; 10/9/00; 10/11/01	Multicenter Randomized Trial of DSRs Versus Tips (from Cleveland Clinic Foundation)	UW-Madison	100,773	0
N/A	93.AGR dtd 8/23/00; 12/19/01	Early Head Start Program (from Dane County Parent Council, Inc.)	UW-Madison	44,980	0
N/A	93.126	American Oncology of Surgeons Oncology Group (from Duke University)	UW-Madison	202	0
N/A	93.AGR dtd 9/28/00	Epitope-Based Vaccines for Gene Therapy (from Epimmune Incorporated)	UW-Madison	183,400	0
N/A	93.AGR dtd 11/5/99	Peptide-Based Vaccine for Primate Model of AIDS (from Epimmune Incorporated)	UW-Madison	(10,218)	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
N/A	93.9063	Chair for the Pediatric Oncology Group (from Foundation for the Children's Oncology Group)	UW-Madison	39,293	0
N/A	93.8428; 8610; 3016; 9621	Children's Cancer Group Chairman's Award (from Foundation for the Children's Oncology Group)	UW-Madison	41,768	0
N/A	93.9755	Immunotherapy Reference and Resource Laboratory (from Foundation for the Children's Oncology Group)	UW-Madison	11,638	0
N/A	93.AGR dtd 5/1/00; 8/22/01	Eastern Cooperative Oncology Group Operations Office Genito-Urinary Committee Activities (from Frontier Science and Technology Research)	UW-Madison	7,681	0
N/A	93.AGR dtd 3/20/01	SBIR-Transgenic Antivirals for Bovine Leukemia Virus (from Gala Design, Inc.)	UW-Madison	20,052	0
N/A	93.96-S03	Epidemiology of Diabetes Intervention and Complications-Data Coordinating Center (from George Washington University)	UW-Madison	75,749	0
N/A	93.AGR dtd 9/19/00	Selenium Metabolism and Anticarcinogenic Action (from Health Research, Inc.)	UW-Madison	14,731	0
N/A	93.JFC184	Co-Stimulation Blockade for Renal Transplantation (from Henry M. Jackson Foundation)	UW-Madison	9,955	0
N/A	93.8811-98155-X	Cytomegalovirus Retinitis Viral Resistance Study (from Johns Hopkins University)	UW-Madison	28,301	0
N/A	93.0005A	Stereoscopic Grading System for Age-Related Maculopathy (from Kestral Corporation)	UW-Madison	32,620	0
N/A	93.76781	Integrating Multimedia into a Drug Prevention Resource (from Learning Multi-Systems, Inc.)	UW-Madison	37,814	0
N/A	93.JK010504	Gene Methylation and Therapeutic Response in Lung Cancer (from Lovlace Respiratory Research Institute)	UW-Madison	10,743	0
N/A	93.77059	Evaluation of the Maehnowesekiyah Residential Treatment Center's Women and Children's Program (from Maehnowesekiyah Treatment Center)	UW-Madison	12,678	0
N/A	93.AGR dtd 9/6/01	Early Therapeutics Development (from Mayo Clinic)	UW-Madison	38,099	0
N/A	93.RD	R&D Subgrants (from Mayo Clinic)	UW-Madison	(3,358)	0
N/A	93.CK 1150489	Siblings with Ischemic Stroke Study (from Mayo Foundation for Medical Education and Research)	UW-Madison	2,170	0
N/A	93.AGR dtd 7/18/01	Testing of Nanoprep Instrumentation (from Molecular Dynamics)	UW-Madison	35,916	0
N/A	93.0254-9902-4609; AGR dtd 6/19/01	Estrogen Influences on Neuroendocrine Aging (from Mount Sinai School of Medicine)	UW-Madison	64,445	0
N/A	93.AGR dtd 11/15/00; 10/24/01	Gustducin-Taste Receptor Interaction in Gustation (from Mount Sinai School of Medicine)	UW-Madison	40,038	0
N/A	93.AGR dtd 5/2/01	Evaluation of Prescription Drug Information Materials-2001 (from National Association of Boards of Pharmacy)	UW-Madison	141,570	0
N/A	93.7326; 7851	R&D Subgrants (from National Childhood Cancer Foundation)	UW-Madison	4,227	0
N/A	93.AGR dtd 6/6/02	SBIR-Development of a Maskless Array Synthesizer (from Nimblegen Systems, Inc.)	UW-Madison	334,645	0
N/A	93.0600 370	Non-Human Primate Model Core Great Lakes Regional Center for AIDS Research (from Northwestern University)	UW-Madison	65,422	0
N/A	93.RD	Production of Genetically Identical MHC-Defined Monkeys (from Northwestern University)	UW-Madison	17,735	0
N/A	93.AGR dtd 9/25/00	Spectroscopy and Imaging of Hb in Fetal Brain in Utero (from Optical Devices, Inc.)	UW-Madison	112,174	0
N/A	93.AGR dtd 2/2/00	SBIR (from Panvera Corporation)	UW-Madison	67,654	0
N/A	93.F 0321 3766	Cc Diode Testing (from Pixel Vision)	UW-Madison	(319)	0
N/A	93.AGR dtd 2/6/02	Biodistribution of 62Cu-Ets in Heart and Kidneys of Normal Volunteers (from Proportional Technologies, Inc.)	UW-Madison	4,050	0
N/A	93.510-3904-02	Research in Content-Based Image Retrieval for Large-Scale Medical Databases (from Purdue University)	UW-Madison	9,701	0
N/A	93.3.80815	Lower Limb Force Vector Control in Hemiplegic Humans (from Rehabilitation Institute Research Corporation)	UW-Madison	37,081	0
N/A	93.3-42U-6613	Development and Validation of a Performance Measure Set/Quality Indicators for the Evaluation (from Research Triangle Institute)	UW-Madison	813,320	0
N/A	93.AGR dtd 3/1/01; 1/22/02	SBIR-Test of Elliptical Accommodating Intraocular Lens in Rhesus Monkeys (from Shenasa Medical)	UW-Madison	53,347	0
N/A	93.C2-1-02	Nursing Precollege Program for Minority/Disadvantaged Middle School Students (from Southwest Wisconsin Area Health Education Center, Inc.)	UW-Madison	1,468	0
N/A	93.AGR dtd 3/30/00	Does Weight Loss Reduce Mortality Rate Among Obese Rats? (from St. Luke's Roosevelt Institute-Columbia University)	UW-Madison	20	0
N/A	93.PY-0819	High Speed MRI of Tumor Interventions (from Stanford University)	UW-Madison	44,351	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
RESEARCH AND DEVELOPMENT (R&D) CLUSTER (Note 2)					
N/A	93.PY-0796	Spectrum of Narcolepsy and Its Symptoms (from Stanford University)	UW-Madison	150,172	0
N/A	93.RD	Prevention of Sporadic Colorectal Adenomas with Celecoxib (from Strang Cancer Prevention Center)	UW-Madison	97,160	0
N/A	93.AGR dtd 9/20/00; 9/26/02	Analysis and Applications of Gfap Transcription (from University of Alabama-Birmingham)	UW-Madison	41,662	0
N/A	93.AGR dtd 8/20/01	Surveillance for Invasive Fungal Infections in Transplant Recipients (from University of Alabama)	UW-Madison	600	0
N/A	93.1557-G-BC462	Study of Osteoporotic Fractures (from University of California-Los Angeles)	UW-Madison	4,902	0
N/A	93.37308	Mechanisms of Psychosocial Suppression of Cortisol (from University of California-Riverside)	UW-Madison	77,912	0
N/A	93.10117851	Eicosanoids in the Outflow Pathways of the Eye (from University of California-San Diego)	UW-Madison	11,304	0
N/A	93.10178233	Ivem and Image Analysis Resource (from University of California-San Diego)	UW-Madison	37,928	0
N/A	93.1935SC	Dynamics of Health, Aging and Body Composition (from University of California-San Francisco)	UW-Madison	32,298	0
N/A	93.5-30408-8602	In Vitro Correlates of Transplant Tolerance in Patients Off Immunosuppression (from University of Chicago)	UW-Madison	40,901	0
N/A	93.AGR dtd 8/2/00; 86503	Linguistic Phenotype in Familial Dyslexia (from University of Denver)	UW-Madison	23,528	0
N/A	93.M708716	Co-Stimulation Blockade for Renal Transplantation (from University of Miami)	UW-Madison	227,487	0
N/A	93.3000183598; 300267526	Effect of Hand-Arm Vibration on Sensory Psychomotor Deficits and Recovery (from University of Michigan)	UW-Madison	21,315	0
N/A	93.H6636365201	Minnesota Stroke Survey (from University of Minnesota)	UW-Madison	(5,115)	0
N/A	93.RD	Integration of Chip-Cim Technologies of Tumor Analysis (from University of Missouri)	UW-Madison	8,163	0
N/A	93.AGR dtd 12/17/01	Regulation of Na, K Atpase by the Ah Receptor (from University of New Mexico)	UW-Madison	21,096	0
N/A	93.532027	Analysis of the B-Ell Deficiency in A/Wy ^{snj} Mice (from University of Pennsylvania)	UW-Madison	77,255	0
N/A	93.538471	Complications of Age-Related Macular Degeneration Prevention Trial (from University of Pennsylvania)	UW-Madison	40,718	0
N/A	93.104409	Professional Development and Ethics (from University of Pittsburgh)	UW-Madison	895	0
N/A	93.AGR dtd 4/3/01	Antihypertensive and Lipid-Lowering Treatment to Prevent Heart Attack Trial (from University of Texas-Houston)	UW-Madison	1,032	0
N/A	93.40-00491-100	Milwaukee Area Treatment Evaluation for TANF Study (from Milwaukee County)	UW-Milwaukee	(13,419)	0
N/A	93.N01-LM-0- 3506 PY-0139	Contract for Research Services (from Stanford University)	UW-La Crosse	61,132	0
N/A	93.AGR dtd 3/6/00	Miniaturized Electric and Electromagnetic (from Herbst Research, Inc.)	UW-Parkside	905	0
		Subtotal R&D Subgrants		<u>8,027,069</u>	<u>0</u>
		TOTAL R&D FROM U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		<u>190,112,682</u>	<u>13,849,407</u>
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:					
R&D Subgrants:					
94.005	94.642-0837-3	Learn and Serve America-Higher Education (from Purdue University)	UW-Madison	<u>44,021</u>	<u>0</u>
U.S. SOCIAL SECURITY ADMINISTRATION:					
96.007		Social Security-Research and Demonstration	UW-Madison	<u>(29)</u>	<u>0</u>
U.S. GENERAL ACCOUNTING OFFICE:					
N/A	99.PC2001139	Interregional Analysis of U.S. Dairy Compacts	UW-Madison	<u>16,755</u>	<u>0</u>
U.S.-ISRAEL BINATIONAL SCIENCE FOUNDATION:					
N/A	99.RD	R&D	UW-Madison	<u>43,358</u>	<u>0</u>
		TOTAL RESEARCH AND DEVELOPMENT CLUSTER		<u>\$ 368,546,653</u>	<u>\$ 29,838,493</u>

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
STUDENT FINANCIAL AID (SFA) CLUSTER					
U.S. DEPARTMENT OF EDUCATION:					
84.007		Federal Supplemental Educational Opportunity Grants	UW-Madison	\$ 3,390,736	\$ 0
84.007		Federal Supplemental Educational Opportunity Grants (Note 2)	UW-Milwaukee	1,915,992	0
84.007		Federal Supplemental Educational Opportunity Grants	UW-Eau Claire	753,133	0
84.007		Federal Supplemental Educational Opportunity Grants	UW-Green Bay	546,454	0
84.007		Federal Supplemental Educational Opportunity Grants	UW-La Crosse	375,513	0
84.007		Federal Supplemental Educational Opportunity Grants (Note 2)	UW-Oshkosh	397,894	0
84.007		Federal Supplemental Educational Opportunity Grants (Note 2)	UW-Parkside	492,845	0
84.007		Federal Supplemental Educational Opportunity Grants	UW-Platteville	440,130	0
84.007		Federal Supplemental Educational Opportunity Grants	UW-River Falls	403,951	0
84.007		Federal Supplemental Educational Opportunity Grants	UW-Stevens Point	775,811	0
84.007		Federal Supplemental Educational Opportunity Grants	UW-Stout	479,599	0
84.007		Federal Supplemental Educational Opportunity Grants (Note 2)	UW-Superior	190,627	0
84.007		Federal Supplemental Educational Opportunity Grants (Note 2)	UW-Whitewater	565,834	0
84.007		Federal Supplemental Educational Opportunity Grants	UW Colleges	477,606	0
		Total Federal Program 84.007		<u>11,206,125</u>	<u>0</u>
84.032		Federal Family Education Loans (Note 22)	UW-Madison	94,745,422	0
84.032		Federal Family Education Loans (Note 22)	UW-Green Bay	9,899,598	0
84.032		Federal Family Education Loans (Note 22)	UW-La Crosse	22,082,062	0
84.032		Federal Family Education Loans (Notes 2, 22)	UW-Oshkosh	16,971,645	0
84.032		Federal Family Education Loans (Notes 2, 22)	UW-Parkside	9,606,501	0
84.032		Federal Family Education Loans (Note 22)	UW-Platteville	11,620,791	0
84.032		Federal Family Education Loans (Note 22)	UW-River Falls	10,589,657	0
84.032		Federal Family Education Loans (Note 22)	UW-Stevens Point	14,466,607	0
84.032		Federal Family Education Loans (Note 22)	UW-Stout	20,196,029	0
84.032		Federal Family Education Loans (Note 22)	UW Colleges	7,292,001	0
		Total Federal Program 84.032		<u>217,470,313</u>	<u>0</u>
84.033		Federal Work-Study Program	UW-Madison	2,224,809	0
84.033		Federal Work-Study Program (Note 2)	UW-Milwaukee	636,205	0
84.033		Federal Work-Study Program	UW-Eau Claire	856,502	0
84.033		Federal Work-Study Program	UW-Green Bay	267,028	0
84.033		Federal Work-Study Program	UW-La Crosse	509,577	0
84.033		Federal Work-Study Program (Note 2)	UW-Oshkosh	669,296	0
84.033		Federal Work-Study Program (Note 2)	UW-Parkside	103,100	0
84.033		Federal Work-Study Program	UW-Platteville	405,929	0
84.033		Federal Work-Study Program	UW-River Falls	480,497	0
84.033		Federal Work-Study Program	UW-Stevens Point	895,427	0
84.033		Federal Work-Study Program	UW-Stout	708,776	0
84.033		Federal Work-Study Program (Note 2)	UW-Superior	214,330	0
84.033		Federal Work-Study Program (Note 2)	UW-Whitewater	436,883	0
84.033		Federal Work-Study Program	UW Colleges	403,939	0
		Total Federal Program 84.033		<u>8,812,298</u>	<u>0</u>
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Note 21)	UW-Madison	10,563,655	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Notes 2, 21)	UW-Milwaukee	2,784,657	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Note 21)	UW-Eau Claire	2,812,890	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Note 21)	UW-Green Bay	609,575	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Note 21)	UW-La Crosse	1,001,403	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Notes 2, 21)	UW-Oshkosh	933,183	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Notes 2, 21)	UW-Parkside	519,041	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Note 21)	UW-Platteville	930,237	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Note 21)	UW-River Falls	757,603	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Note 21)	UW-Stevens Point	3,304,009	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Note 21)	UW-Stout	1,996,020	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Notes 2, 21)	UW-Superior	335,676	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Notes 2, 21)	UW-Whitewater	2,242,003	0
84.038		Federal Perkins Loan Program-Federal Capital Contributions (Note 21)	UW Colleges	274,918	0
		Total Federal Program 84.038		<u>29,064,870</u>	<u>0</u>
84.063		Federal Pell Grant Program	UW-Madison	7,417,312	0
84.063		Federal Pell Grant Program (Note 2)	UW-Milwaukee	9,472,994	0
84.063		Federal Pell Grant Program	UW-Eau Claire	4,257,774	0
84.063		Federal Pell Grant Program	UW-Green Bay	2,456,271	0
84.063		Federal Pell Grant Program	UW-La Crosse	3,479,813	0
84.063		Federal Pell Grant Program (Note 2)	UW-Oshkosh	3,889,794	0
84.063		Federal Pell Grant Program (Note 2)	UW-Parkside	2,844,008	0
84.063		Federal Pell Grant Program	UW-Platteville	2,915,489	0
84.063		Federal Pell Grant Program	UW-River Falls	2,720,688	0
84.063		Federal Pell Grant Program	UW-Stevens Point	4,475,980	0
84.063		Federal Pell Grant Program	UW-Stout	4,151,378	0

**STATE OF WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL CATALOG NUMBER	OTHER IDENTIFYING NUMBER	FEDERAL GRANTOR AGENCY/ Federal Program	STATE AGENCY OR CAMPUS	EXPENDITURES	AMOUNT PROVIDED TO SUBRECIPIENTS
STUDENT FINANCIAL AID (SFA) CLUSTER					
84.063		Federal Pell Grant Program (Note 2)	UW-Superior	1,905,099	0
84.063		Federal Pell Grant Program (Note 2)	UW-Whitewater	3,909,354	0
84.063		Federal Pell Grant Program	UW Colleges	<u>5,346,686</u>	<u>0</u>
		Total Federal Program 84.063		<u>59,242,640</u>	<u>0</u>
84.268		Federal Direct Loans (Notes 2, 22)	UW-Milwaukee	57,022,519	0
84.268		Federal Direct Loans (Note 22)	UW-Eau Claire	18,498,448	0
84.268		Federal Direct Loans (Notes 2, 22)	UW-Superior	7,237,263	0
84.268		Federal Direct Loans (Notes 2, 22)	UW-Whitewater	<u>23,537,740</u>	<u>0</u>
		Total Federal Program 84.268		<u>106,295,970</u>	<u>0</u>
Other Federal Financial Assistance:					
N/A	84.SFA	Administrative Cost Allowance (Note 23)	UW-Madison	464,089	0
N/A	84.SFA	Administrative Cost Allowance (Notes 2, 23)	UW-Milwaukee	367,948	0
N/A	84.SFA	Administrative Cost Allowance (Note 23)	UW-Eau Claire	228,732	0
N/A	84.SFA	Administrative Cost Allowance (Note 23)	UW-Green Bay	48,000	0
N/A	84.SFA	Administrative Cost Allowance (Note 23)	UW-La Crosse	135,256	0
N/A	84.SFA	Administrative Cost Allowance (Notes 2, 23)	UW-Oshkosh	147,808	0
N/A	84.SFA	Administrative Cost Allowance (Notes 2, 23)	UW-Parkside	64,426	0
N/A	84.SFA	Administrative Cost Allowance (Note 23)	UW-Platteville	138,765	0
N/A	84.SFA	Administrative Cost Allowance (Note 23)	UW-River Falls	83,271	0
N/A	84.SFA	Administrative Cost Allowance (Note 23)	UW-Stevens Point	160,572	0
N/A	84.SFA	Administrative Cost Allowance (Note 23)	UW-Stout	9,985	0
N/A	84.SFA	Administrative Cost Allowance (Notes 2, 23)	UW-Superior	39,366	0
N/A	84.SFA	Administrative Cost Allowance (Notes 2, 23)	UW-Whitewater	142,616	0
N/A	84.SFA	Administrative Cost Allowance (Note 23)	UW Colleges	<u>53,150</u>	<u>0</u>
		Total Administrative Cost Allowance		<u>2,083,984</u>	<u>0</u>
		TOTAL SFA FROM U.S. DEPARTMENT OF EDUCATION		<u>434,176,200</u>	<u>0</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
93.108		Health Education Assistance Loans (Note 22)	HEAB	0	0
93.108		Health Education Assistance Loans (Note 22)	UW-Madison	<u>0</u>	<u>0</u>
		Total Federal Program 93.108		<u>0</u>	<u>0</u>
93.342		Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students (Note 21)	UW-Madison	863,811	0
93.364		Nursing Student Loans (Note 21)	UW-Madison	269,647	0
93.364		Nursing Student Loans (Notes 2, 21)	UW-Milwaukee	209,264	0
93.364		Nursing Student Loans (Notes 2, 21)	UW-Oshkosh	<u>247,771</u>	<u>0</u>
		Total Federal Program 93.364		<u>726,682</u>	<u>0</u>
93.925		Scholarships for Health Professions Students from Disadvantaged Backgrounds	UW-Madison	78,910	0
93.925		Scholarships for Health Professions Students from Disadvantaged Backgrounds (Note 2)	UW-Milwaukee	44,744	0
93.925		Scholarships for Health Professions Students from Disadvantaged Backgrounds	UW-Eau Claire	<u>44,744</u>	<u>0</u>
		Total Federal Program 93.925		<u>168,398</u>	<u>0</u>
		TOTAL SFA FROM U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		<u>1,758,891</u>	<u>0</u>
		TOTAL STUDENT FINANCIAL AID CLUSTER		<u>\$ 435,935,091</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 7,365,782,348</u>	<u>\$ 1,604,672,488</u>

Notes to the State of Wisconsin Schedule of Expenditures of Federal Awards ■

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Purpose

The Schedule of Expenditures of Federal Awards presents a summary of the State of Wisconsin's expenditures financed by the federal government for the fiscal year ended June 30, 2002. For purposes of the schedule, federal programs have been classified into three types: 1) individual federal programs and other clusters, including grants received directly from the federal government and subgrants received from other organizations; 2) the research and development (R&D) cluster, including R&D grants received directly from the federal government and R&D subgrants received from other entities; and 3) the student financial aid (SFA) cluster. Direct federal awards and subgrants are presented for each federal agency and, when available, by catalog number.

Because the schedule presents only a selected portion of the activities of the State, it is not intended to and does not present the financial position or results of operations of the State.

B. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards has been prepared from the Wisconsin state agencies' and UW System's accounting records and from federal reports submitted by the state agencies to the various federal grantor agencies. The State's accounting records are maintained on a modified cash basis. State statutes and

state accounting policies require that disbursements be recognized in the fiscal year in which they are recorded for payment, except for certain state employee fringe benefits and selected other items that are recognized in the period to which the benefits relate, regardless of when paid. The State's centralized accounting records remain open until July 31 to permit the recording of expenditures applicable to the fiscal year ended June 30, in accordance with Wisconsin Statutes.

To eliminate duplicate counting for subgrants between state agencies, the schedule includes expenditures reported by the state agency that received the funds directly from the U.S. government and does not include expenditures recorded by the subrecipient. For subgrants between UW campuses, however, the schedule includes expenditures reported by the UW campus that received the subgranted funds and does not include expenditures reported by the subgranting campus.

A timing variance may exist between the recording of expenditures in the accounting records and the reporting of the federal grant expenditures to the U.S. government or other subgrantor organizations.

C. State Agencies and UW Campuses Included

The following state agencies were included in the scope of the federal compliance portion of the audit:

1. Department of Health and Family Services (DHFS)
2. Department of Workforce Development (DWD)
3. University of Wisconsin (UW) System
4. Department of Transportation (DOT)
5. Department of Public Instruction (DPI)
6. Department of Administration (DOA)
7. Department of Natural Resources (DNR)
8. Department of Military Affairs (DMA)
9. Department of Commerce (Commerce)
10. Wisconsin Technical College System Board (WTCSB)
11. Department of Corrections (DOC)
12. Department of Veterans Affairs (DVA)
13. Department of Justice (DOJ)
14. Department of Agriculture, Trade and Consumer Protection (DATCP)
15. Higher Educational Aids Board (HEAB)
16. Wisconsin Historical Society (WHS)
17. Wisconsin Arts Board (Arts Board)
18. Child Abuse and Neglect Prevention Board (CANPB)
19. Educational Communications Board (ECB)
20. Public Service Commission (PSC)
21. Department of Electronic Government (DEG)
22. Board on Aging and Long-Term Care (BOALTC)
23. Department of Revenue (DOR)
24. Department of Tourism (Tourism)

The following campuses or units of UW System were included in the scope of the audit:

1. UW-Madison
2. UW-Milwaukee
3. UW-Eau Claire
4. UW-Green Bay
5. UW-La Crosse
6. UW-Oshkosh
7. UW-Parkside
8. UW-Platteville
9. UW-River Falls
10. UW-Stevens Point
11. UW-Stout
12. UW-Superior
13. UW-Whitewater
14. UW Colleges
15. UW-Extension
16. UW System Administration (UW System Admin)
17. Wisconsin Humanities Council (Wis Humanities Council)

Any federal awards administered by the Wisconsin Supreme Court were not included in the scope of this single audit because those grants are audited separately in accordance with OMB Circular A-133, if required. An audit of federal financial assistance received by the Wisconsin Housing and Economic Development Authority was performed by other auditors.

2. MAJOR FEDERAL GRANT PROGRAMS

As shown in the following table, the federal financial assistance expended by the State of Wisconsin during FY 2001-02 was \$8,131,773,471, consisting of \$7,365,782,348 in cash assistance as reported in the Schedule of Expenditures of Federal Awards, \$34,218,591 in noncash assistance, and \$731,772,532 in outstanding loan balances. The noncash assistance and loan balances are described in more detail in Notes 6, 8, 9, 15, 17, 18, 21, and 22. Not included in the amount of noncash assistance is the value of donated federal surplus personal property (catalog #39.003) described in Note 16.

Federal Financial Assistance
FY 2001-02

Catalog Number	Name of Federal Program	Amount
Cash Assistance as Shown in Schedule		\$7,365,782,348
Noncash Assistance:		
10.550	Food Donation	16,811,007
10.551	Food Stamps	107,584
10.569	Emergency Food Assistance Program (Food Commodities)	5,800,000
93.268	Immunization Grants	<u>11,500,000</u>
	Total Noncash Assistance	<u>34,218,591</u>
Total Cash and Noncash Assistance		<u>7,400,000,939</u>
Loan Balances as of June 30, 2002:		
20.205	Highway Planning and Construction	1,331,399
66.458	Capitalization Grants for State Revolving Funds	480,148,527
66.468	Capitalization Grants for Drinking Water State Revolving Fund	70,104,977
84.038	Perkins Loan Program	168,089,893
93.108	Health Education Assistance Loans	1,700,913
93.342	Health Professions Student Loans	6,317,566
93.364	Nursing Student Loans	<u>4,079,257</u>
	Total Loan Balances	<u>731,772,532</u>
Total Federal Financial Assistance		\$8,131,773,471

Federal cash and noncash assistance, other than loan balances, expended by the State of Wisconsin during FY 2001-02 was \$7.4 billion. The major grant threshold, as defined by OMB Circular A-133, was \$22.2 million. All federal programs with expenditures exceeding the \$22.2 million threshold are labeled type A programs. Each type A program that is considered to be low-risk is audited as a major program at least once every three years. The type A programs that are not considered to be low-risk are audited as major programs each year. The federal programs with expenditures under the threshold of \$22.2 million are labeled as type B programs. For each low-risk type A program that is not audited as a major program, one high-risk type B program is selected to be audited as a major program.

The State of Wisconsin administered 25 major federal programs that were tested for compliance with federal requirements for FY 2001-02. The total federal assistance, including noncash assistance and loan balances under these major grant programs, constituted 77 percent of the total federal financial assistance during the audit period. The major federal programs for FY 2001-02, as determined by the risk-based approach, are listed in the following table.

Major Federal Programs in FY 2001-02

Catalog Number	Federal Program	Expenditures	State Recipient
10.551/.561	Food Stamp Cluster (a)	\$ 223,586,181	DWD/UW-Madison
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	55,914,908	DHFS
16.523	Juvenile Accountability Incentive Block Grants	4,954,563	DOA
17.225	Unemployment Insurance	1,125,078,278	DWD
17.253	Welfare-to-Work Grants to States and Localities	4,293,912	DWD
17.258/.259/.260	WIA Cluster	36,271,627	DWD
20.106	Airport Improvement Program	39,282,802	DOT
20.205/23.005	Highway Planning and Construction Cluster (b)	583,835,193	DOT
66.001	Air Pollution Control Program Support	2,109,497	DNR
66.432	State Public Water System Supervision	3,292,906	DNR
84.010	Title I Grants to Local Educational Agencies	121,976,693	DPI
84.027/.173	Special Education Cluster	106,804,196	DPI
84.126	Rehabilitation Services—Vocational Rehabilitation Grants to States	47,252,623	DWD
84.332	Comprehensive School Reform Demonstration	2,842,963	DPI
93.268	Immunization Grants	15,144,126	DHFS
93.558	Temporary Assistance for Needy Families	350,286,728	DWD
93.563	Child Support Enforcement	54,805,252	DWD
93.568	Low-Income Home Energy Assistance	60,561,444	DOA
93.575/.596	Child Care Cluster	157,076,786	DWD
93.658	Foster Care—Title IV-E	87,335,071	DHFS
93.767	State Children’s Insurance Program	76,348,028	DHFS
93.775/.777/.778	Medicaid Cluster	2,500,342,126	DHFS/DWD/DOJ
96.001/.006	Disability Insurance/SSI Cluster	22,012,312	DHFS/DWD
Various	Research and Development Cluster	368,546,653	UW System
Various	Student Financial Aid Cluster (c)	72,454,323	UW-Milwaukee
Various	Student Financial Aid Cluster (c)	23,257,391	UW-Oshkosh
Various	Student Financial Aid Cluster (c)	13,629,921	UW-Parkside
Various	Student Financial Aid Cluster (c)	9,922,361	UW-Superior
Various	Student Financial Aid Cluster (c)	30,834,430	UW-Whitewater
		\$6,200,053,294	

(a) Includes \$187,535,592 in benefit expenditures and \$107,584 in distributed food stamps (see Note 6).

(b) Does not include the amount of loans outstanding as of June 30, 2002 (see Note 15).

(c) Does not include the amount of loans outstanding as of June 30, 2002 (see Notes 21 and 22).

The research and development cluster, a major program, is defined by OMB Circular A-133 as including all research activities, both basic and applied, and all development activities that are performed by a non-federal entity. Research is defined as a systematic study directed toward fuller scientific knowledge or

understanding of the subject studied. Development is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes. Most grant documents from the federal government and other subgrantor organizations do not clearly identify a grant as research and development. Therefore, UW staff classify grants as research and development or as other than research and development. Staff for other state agencies do not classify any of their grants as research and development.

The student financial aid cluster is defined by OMB Circular A-133 as including those programs of general student assistance in which institutions participate, such as those authorized by Title IV of the Higher Education Act of 1965, as amended, which are administered by the U.S. Department of Education, and similar programs provided by other federal agencies. It does not include programs that provide fellowships or similar awards to students on a competitive basis, or for specified studies or research. The student financial aid cluster is a low-risk type A program and, therefore, must be audited at least once every three years. The Legislative Audit Bureau audits the student financial aid cluster at the UW campuses over a three-year cycle. During the FY 2001-02 audit, the student financial aid cluster was audited as a major program at UW-Milwaukee, UW-Oshkosh, UW-Parkside, UW-Superior, and UW-Whitewater.

The Wisconsin Humanities Council is a nonprofit organization associated with UW System through its relationship with UW-Extension. UW-Extension is responsible for fiscal and personnel administration of the Council. At the request of the National Endowment for the Humanities, the Wisconsin Humanities Council was included as a unit within UW System, and the Promotion of the Humanities—Federal/State Partnership grant (catalog #45.129) was audited as if it were a major program.

3. FEDERAL CATALOG NUMBERS

Some grant documents from the federal government and other subgrantor organizations do not provide a catalog of federal domestic assistance number to the state agency or UW campus receiving the funds. Federal catalog numbers are presented in the schedule when they were included in the grant agreements or could be determined based on a grant's source and purpose. For grants that did not clearly state a federal catalog number, the schedule includes the grant or a total for several grants, with an indication of "N/A," for not available. For the direct grants and subgrants in the individual programs and other clusters, an "other identifying number," when available, is shown if the federal catalog number is not available.

For the research and development cluster, direct awards are presented for each federal agency, by catalog number, when available. Direct grants without a catalog number are presented for each federal agency and, where applicable, for the major subdivisions within the agency.

4. AMOUNT PROVIDED TO SUBRECIPIENTS

OMB Circular A-133 requires the Schedule of Expenditures of Federal Awards, to the extent practical, to include the amount provided to subrecipients under each federal program. To the extent practical, the amount provided to subrecipients was determined for the federal programs at the state agencies and UW System.

5. POTENTIAL FEDERAL SANCTIONS AND DISALLOWANCES

The U.S. Department of Agriculture assesses a sanction against a state if its annual error rate for eligibility and benefit determinations exceeds the national average for the Food Stamps program (catalog #10.551). As shown in the following table, Wisconsin’s error rates for FFY 1993-94 through FFY 2000-01 exceeded the national average, resulting in sanctions totaling \$9,394,662. The State has appealed the sanctions for FFY 2000-01. Complete error rate and sanction information is not yet available for FFY 2001-02.

Sanctions for the Food Stamps Program
As of June 30, 2002

Federal Fiscal Year(s)	Wisconsin’s Error Rate	National Average Error Rate	Sanctions Assessed to Date
1994–1996	10.51% – 12.10%	9.2% – 10.32%	\$1,200,000
1997	13.70	9.88	2,340,053
1998	13.07	10.69	689,391
1999	13.42	9.88	606,446
2000	12.72	8.91	1,671,222
2001	13.14	8.66	2,887,550
Total			\$9,394,662

Wisconsin is required to spend the sanctioned amounts on payment accuracy activities, outreach activities, and federally approved activities for improving Food Stamps program operations. As of July 31, 2002, DWD had spent \$3,433,534 on these activities.

A federal review of the Child Support Enforcement program (catalog #93.563) awarded to DWD by the U.S. Department of Health and Human Services, Office of Child Support Enforcement for FFY 1997-98 identified disallowed costs of \$3,643,264 for unsupported allocated costs, and \$314,588 for interest earnings that should have been reported as program income. DWD staff indicate that discussions with federal officials suggest that the allocated costs may be allowed if federal auditors accept supporting documentation that was submitted along with DWD's response on February 8, 2002. DWD recalculated the amount of interest earnings that should have been reported as program income and returned \$237,585 to the federal government on August 6, 2001.

A federal review of Aid to Families with Dependent Children (AFDC) overpayment recoveries received between July 1, 1996 and September 30, 2001 concluded that DWD's practices for reporting and remitting AFDC overpayment recoveries to the federal government were not in accordance with federal requirements. The U.S. Department of Health and Human Services recommended that the State refund the federal share, or \$10,711,338, of these recoveries. In its May 2002 response, DWD contended that it followed the instructions included in the FFY 1998-99 federal transmittal documents and, therefore, was in compliance with federal requirements until the issuance of a FFY 1999-2000 federal transmittal document. DWD estimates that the liability resulting from noncompliance after the issuance of the FFY 1999-2000 instructions, which became effective on September 30, 2000, is \$1,400,000. DWD continues to negotiate with the federal government to resolve this issue.

A federal review of the Fish and Wildlife Cluster (catalog #15.605 and #15.611) awarded to DNR by the U.S. Department of the Interior, Fish and Wildlife Service for FFY 1994-95 and FFY 1995-96 identified questioned costs of \$5,067,771. The Fish and Wildlife Service approved DNR's revised corrective action plan in January 2003 and no repayment to the federal government was required.

6. FOOD STAMPS

During FY 2001-02, DWD was responsible for issuing food stamp benefits to recipients on behalf of the U.S. Department of Agriculture (catalog #10.551). DWD issued \$187,643,176 of food stamp benefits during FY 2001-02, including \$107,584 in the form of food stamp coupons as noncash assistance. DWD did not have any food stamp coupons on hand as of June 30, 2002. The amount of benefits authorized but unused as of June 30, 2002 was \$4.9 million.

7. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC) REBATES

During FY 2001-02, DHFS received \$20,636,538 in cash rebates from infant formula manufacturers from the sale of formula to participants in the WIC program (catalog #10.557). Rebate contracts with infant formula manufacturers are authorized by 7 CFR 246.16(m) as a cost-containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs. Applying the rebates received to such costs enabled DHFS to extend program benefits to 34,873 more people than could have been served during FY 2001-02 in the absence of the rebate contracts.

8. FOOD DONATION

No expenditures were reported in the schedule for the Food Donation program (catalog #10.550) administered by DPI because this program involves the distribution of food commodities, and no funds were awarded to the State. The value of the food commodities distributed is not reported in the schedule. DPI distributed \$16,811,007 worth of food commodities during FY 2001-02 and had \$1,785,880 worth of food commodities on hand as of June 30, 2002.

9. EMERGENCY FOOD ASSISTANCE PROGRAM

The expenditures reported in the schedule represent administrative costs of the Emergency Food Assistance Program (Administrative Costs) (catalog #10.568) at the state and local levels. The value of the food commodities distributed under the Emergency Food Assistance Program (Food Commodities) (catalog #10.569) is not reported in the schedule. DHFS distributed approximately \$5,800,00 worth of food commodities during FY 2001-02 and had approximately \$422,383 worth of food commodities on hand as of June 30, 2002.

10. COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM

The Community Development Block Grants/State's Program (catalog #14.228) provides funds to local units of government to establish revolving funds for loans to businesses. Loan repayments from businesses in excess of certain program income limits must be returned to the State. Included as expenditures of the program is a total of \$4,137,075 that was supported by funds returned to the State.

11. STATE CRIMINAL ALIEN ASSISTANCE PROGRAM

During FY 2001-02, DOC received \$4,550,338 in awards from the U.S. Department of Justice under the State Criminal Alien Assistance Program (catalog #16.606). This grant is awarded to cover the costs previously incurred by the State for housing undocumented criminal aliens in the State's correctional system. There are no restrictions imposed on the use of the funds, and the grant program guidelines state that the funds should be treated as being expended as of the date received. As mandated by the Wisconsin Legislature, DOC did not spend the \$4,550,338 during FY 2001-02, but rather deposited the funds directly to the General Fund to automatically lapse and be available for appropriation by the Legislature. In the Schedule of Expenditures of Federal Awards, the expenditure of these funds is shown under DOC; however, because the funds were lapsed to the General Fund for appropriation by the Legislature, no expenditures were recorded at DOC for this grant for FY 2001-02.

12. UNEMPLOYMENT INSURANCE PROGRAM

FY 2001-02 expenditures for the Unemployment Insurance program (catalog #17.225) include \$970,587,896 in benefits funded by the Wisconsin Unemployment Reserve Fund, \$7,220,169 in federally funded regular benefits, \$85,246,796 in federally funded temporary extended benefits, and \$62,023,417 in federally funded administrative costs.

13. WORKFORCE INVESTMENT ACT (WIA) CLUSTER

Included as expenditures of the WIA Cluster (catalog #17.258, #17.259, and #17.260) is \$1,605,560 from funds transferred into the program from the Job Training Partnership Act (catalog #17.250), and \$313,594 from funds transferred into the program from Employment and Training Assistance—Dislocated Workers (catalog #17.246).

14. HIGHWAY PLANNING AND CONSTRUCTION

Expenditures for the Highway Planning and Construction program (catalog #20.205) include project charges that have been incurred in excess of the federally approved project budget amount, but that are expected to be recovered in the next fiscal year. The balance of charges in excess of approved budgets totaled \$13.5 million as of June 30, 2002.

15. LOAN FUNDS FROM FEDERAL HIGHWAY ADMINISTRATION AND FEDERAL RAILWAYS ADMINISTRATION

DOT received \$45,000 during FY 2001-02 and \$1,380,000 in prior years from the Federal Highway Administration under the Highway Planning and Construction program (catalog #20.205) to establish a revolving loan fund to assist local government transit and highway projects. DOT has issued \$1,425,000 in loans to local municipalities; \$1,331,339 remains outstanding as of June 30, 2002.

During FY 1994-95, DOT received \$70,400 in loan funds from the Federal Railways Administration under the Local Rail Freight Assistance program (catalog #20.308). DOT has issued the full amount of these loan funds to railroads. As of June 30, 2002, all loans have been repaid.

16. DONATION OF FEDERAL SURPLUS PERSONAL PROPERTY

DOA is responsible for administration of the Donation of Federal Surplus Personal Property program (catalog #39.003). DOA has contracted with Wisconsin Technical College System Foundation, Inc., to receive and distribute the federal surplus property. As of July 1, 2001, the Foundation had on hand property with an initial cost to the federal government of \$3,817,089. During FY 2001-02, the Foundation received from the federal government surplus personal property having an initial cost to the federal government of \$6,042,075. During the period, property with an initial cost of \$5,298,837 was distributed, leaving property with an initial cost to the federal government of \$4,560,327 on hand as of June 30, 2002. DOA does not maintain records of the fair market value of the property received but believes it is below the type A major grant threshold established by OMB Circular A-133.

17. CAPITALIZATION GRANTS FOR STATE REVOLVING FUNDS AND CAPITALIZATION GRANTS FOR DRINKING WATER STATE REVOLVING FUND

The State of Wisconsin Environmental Improvement Fund is an enterprise fund of the State and is jointly administered by DNR and DOA. Included in the Environmental Improvement Fund is the Clean Water Fund Direct Loan Program, funded primarily by the federal government under the Capitalization Grants for State Revolving Funds (catalog #66.458) and Capitalization Grants for Drinking Water State Revolving Fund (catalog #66.468). As of June 30, 2002, loans outstanding were \$480,148,527 and \$70,104,977, respectively. Federal reporting requirements for the Clean Water Fund Direct Loan Program include financial statements prepared in accordance with generally accepted accounting principles, and information regarding loan recipients, loan amounts, loan terms, project categories of eligible costs, and similar details on other forms of assistance. DNR and DOA have previously provided this information to the U.S. Environmental Protection Agency in the following documents:

- the Environmental Improvement Fund program's FY 2001-02 and FY 2000-01 audited financial statements, prepared in accordance with accounting principles generally accepted in the United States, including supplementary information specific to the Clean Water Fund Direct Loan Program;
- the State Revolving Fund intended use plan for FY 2001-02, prepared by DNR; and
- the State Revolving Fund annual report for FY 2001-02, prepared by DNR and DOA.

Copies of these documents are available from:

Wisconsin Department of Natural Resources
Bureau of Community Financial Assistance
P.O. Box 7921
Madison, WI 53707

The expenditures included in the Schedule of Expenditures of Federal Awards are the amounts recorded on the State of Wisconsin's accounting system in accordance with the basis of accounting described in Note 1(B) and are not intended to be in accordance with generally accepted accounting principles.

18. IMMUNIZATION GRANTS

The expenditures reported in the schedule represent costs for administration, program services, and purchased vaccines of the Immunization Grants program (catalog #93.268). Not included in the schedule is the value of the vaccines received from the federal government as noncash assistance. DHFS distributed \$11,500,000 worth of noncash assistance vaccines during FY 2001-02 and had \$1,052,983 worth of vaccines on hand as of June 30, 2002.

19. SOCIAL SERVICES BLOCK GRANT

Social Services Block Grant (catalog #93.667) expenditures claimed for federal reimbursement are not based directly on the DHFS accounting records for the grant. The grant expenditure claims are based on the social services expenditures reported by the county social service agencies throughout the state and summarized by the DHFS Community Aids Reporting System.

Expenditures reported in the schedule for the Social Services Block Grant include \$18,414,165 transferred from the federal award for the Temporary Assistance for Needy Families program (catalog #93.558).

20. FEE-FOR-SERVICE PROGRAMS AND FIXED-PRICE CONTRACTS

State agencies and UW System received fees for services or reimbursement under fixed-price contracts with the federal government or other subgrantor organizations. Actual costs to provide the services are not required to be reported to the federal government or other subgrantor organizations. The schedule includes actual amounts charged to the fixed-price contracts, which may be more than, equal to, or less than the contract funds received from the federal grantor agency or other subgrantor organizations.

21. LOANS COLLECTED BY THE UNIVERSITY OF WISCONSIN

The expenditures in the schedule for the loan programs consist of loans advanced to students and collection costs charged to the loan funds during FY 2001-02. For the Perkins Loan Program, the expenditures in the schedule are funded by the federal capital contributions, institutional match, and loan repayments or other fees collected from student borrowers. Not included in the schedule is the amount of outstanding loans. The Perkins Loan (catalog #84.038), Health Professions Student Loans (catalog #93.342), and Nursing Student Loans (catalog #93.364) funds consisted of the following student loan receivable balances:

	Outstanding Balance, <u>June 30, 2002</u>
Perkins Loans:	
UW-Madison and UW-Green Bay	\$ 67,057,060
UW-Milwaukee	16,710,362
UW-Eau Claire	14,801,161
UW-La Crosse	6,519,753
UW-Oshkosh	6,253,269
UW-Parkside	2,678,874
UW-Platteville	5,812,633
UW-River Falls	5,402,042
UW-Stevens Point	15,546,013
UW-Stout	13,434,631
UW-Superior	1,708,278
UW-Whitewater	10,160,686
UW Colleges	<u>2,005,131</u>
Total Perkins Loans	\$168,089,893
Health Professions Student Loans:	
UW-Madison	\$ 6,317,566
Nursing Student Loans:	
UW-Madison	\$ 1,462,544
UW-Milwaukee	1,058,049
UW-Oshkosh	<u>1,558,664</u>
Total Nursing Student Loans	\$ 4,079,257

22. OTHER LOAN PROGRAMS

UW System participates in the Federal Family Education Loans (FFEL) program (catalog #84.032), which includes Stafford Loans, Supplemental Loans for Students, and Parent Loans for Undergraduate Students. The FFEL program is a component of the student financial aid cluster. Lending institutions, such as banks, provide funds to students attending UW campuses, and UW staff are involved with certifying of loan applications and distributing loan checks to the student borrowers. The FFEL amounts disbursed to students during FY 2001-02 are shown in the schedule. For all UW campuses, the total outstanding loan balance for FFEL is not available.

UW-Milwaukee, UW-Eau Claire, UW-Superior, and UW-Whitewater participate in the Federal Direct Loans program (catalog #84.268) instead of the FFEL program. The Federal Direct Loans program is similar to the FFEL program, except that the UW campuses, rather than financial institutions, are responsible for disbursing the loans. In addition, the loan funds are provided

by the U.S. Department of Education. The Federal Direct Loans amounts advanced to students during FY 2001-02 are included in the schedule. The total outstanding loan balance for the Federal Direct Loans program is not available.

Prior to July 1, 1998, UW-Madison participated in the Health Education Assistance Loans (HEAL) program (catalog #93.108). The HEAL program is a component of the student financial aid cluster. Lending institutions, such as banks, provided funds to students enrolled in education programs for certain health professions, and UW-Madison staff were involved with the certification of loan applications. No new loans were made during the fiscal year, and no new loans will be made in the future. The total outstanding loan balance for the HEAL program at UW-Madison is not available.

HEAB also provided student loans funded by the HEAL program to eligible medical and dental students at qualifying universities or colleges in Wisconsin. These student loans are insured as to payment by the U.S. Department of Health and Human Services if a claim is filed after default, death, disability, or bankruptcy. HEAB did not receive any federal funds for claims from the U.S. Department of Health and Human Services in FY 2001-02. No new loans were made during the fiscal year, and no new loans will be made in the future. As of June 30, 2002, the balance of HEAL loans outstanding at HEAB was \$1,700,913.

23. ADMINISTRATIVE COST ALLOWANCE

Included in the student financial aid cluster are the total expenditures for the administrative cost allowance provided by the Federal Supplemental Educational Opportunity Grants program (catalog #84.007), Federal Work-Study Program (catalog #84.033), Perkins Loan Program (catalog #84.038), and Federal Pell Grant Program (catalog #84.063). The actual administrative cost allowance amount earned during the award year for each program has not been determined and is not included in the amount of expenditures for the four separate student financial aid programs.

24. PROGRAM INCOME

In some cases, program income related to federal grants is deposited in federal grant accounts and is spent for activities related to a grant. Certain program income accounts were identified by the UW campuses and excluded from the schedule. However, the schedule includes an unknown amount of expenditures funded by program income sources and not funded directly by federal grants.

Appendix 1

Federal Expenditures Under the Twelve Largest Federal Grant Programs
FY 1997-98 through FY 2001-02

<u>Grant Program</u>	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>FY 1999-2000</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>Dollar Change FY 1997-98 through FY 2001-02</u>	<u>Percentage Change FY 1997-98 through FY 2001-02</u>
Medicaid Cluster	\$1,689,469,427	\$1,767,450,058	\$1,934,144,025	\$2,355,546,243	\$2,500,342,126	\$810,872,699	48.0%
Unemployment Insurance*	519,911,199	546,011,002	566,590,860	745,520,799	1,125,078,278	605,167,079	116.4
Highway Planning and Construction Cluster	329,343,079	407,756,013	498,860,507	534,118,901	583,835,193	254,492,114	77.3
Student Financial Aid Cluster	359,004,855	366,516,129	378,790,477	396,698,400	435,935,091	76,930,236	21.4
Research and Development Cluster	258,993,708	271,672,655	299,802,747	329,355,524	368,546,653	109,552,945	42.3
Temporary Assistance for Needy Families	159,312,303	116,738,733	225,714,662	299,281,750	350,286,728	190,974,425	119.9
Food Stamp Cluster**	162,920,510	159,600,664	164,000,945	175,511,322	223,586,181	60,665,671	37.2
Child Care Cluster	85,966,965	117,253,421	102,143,970	134,222,598	157,076,786	71,109,821	82.7
Title I Grants to Local Educational Agencies	127,436,831	130,050,294	124,909,782	128,768,891	121,976,693	(5,460,138)	-4.3
Special Education Cluster	58,408,564	71,539,666	79,925,925	98,836,923	106,804,196	48,395,632	82.9
Child Nutrition Cluster	75,267,466	77,297,877	84,219,148	83,637,580	93,462,724	18,195,258	24.2
Foster Care—Title IV-E	81,634,001	88,058,476	99,707,633	84,564,498	87,335,071	5,701,070	7.0

* Consists primarily of insurance benefits paid from employer contributions and not directly from federal grants.

** Includes the value of food stamps distributed and administrative expenditures.

Appendix 2

State Agency Contact Information

Listed below are the Wisconsin state agencies other than the University of Wisconsin that are included in the scope of the FY 2001-02 single audit, along with agency contact names, addresses, telephone numbers, fax numbers, and e-mail addresses. These agencies may be contacted regarding resolution of audit findings and questioned costs, or other matters concerning the audit. University of Wisconsin campus contact information is presented as Appendix 3.

Department of Health and Family Services

Ms. Helene Nelson, Secretary
Audit Contact: Ms. Sally Acuff, Audit Liaison
Bureau of Fiscal Services
1 West Wilson Street
P.O. Box 7850
Madison, Wisconsin 53707-7850
(608) 266-9576
fax: (608) 264-9874
e-mail: acuffsa@dhfs.state.wi.us

Department of Workforce Development

Ms. Roberta Gassman, Secretary
Audit Contact: Mr. Kipp Sonnentag, Controller
Bureau of Finance
201 East Washington Avenue, Room G400
P.O. Box 7946
Madison, Wisconsin 53707-7946
(608) 266-7272
fax: (608) 267-7952
e-mail: kipp.sonnentag@dwd.state.wi.us

Department of Transportation

Mr. Frank Busalacchi, Secretary
Audit Contact: Ms. Cynthia A. Morehouse, Director
Bureau of Financial Services
4802 Sheboygan Avenue
P.O. Box 7366
Madison, Wisconsin 53707-7366
(608) 266-7023
fax: (608) 267-4455
e-mail: cynthia.morehouse@dot.state.wi.us

Department of Public Instruction

Ms. Elizabeth Burmaster, State Superintendent
Audit Contact: Mr. Brian Pahnke, Administrator
Division for Finance and Management
125 South Webster Street
P.O. Box 7841
Madison, Wisconsin 53707-7841
(608) 267-9124
fax: (608) 266-3644
e-mail: brian.pahnke@dpi.state.wi.us

Department of Administration

Mr. Marc Marotta, Secretary
Audit Contact: Ms. Martha Kerner, Director
Bureau of Financial Management
101 East Wilson Street, 9th Floor
P.O. Box 7869
Madison, Wisconsin 53707-7869
(608) 266-1359
fax: (608) 264-9500
e-mail: martha.kerner@doa.state.wi.us

Department of Natural Resources

Mr. Scott Hassett, Secretary
Audit Contact: Ms. Blanca Rivera, Director
Bureau of Finance
101 South Webster Street
P.O. Box 7921
Madison, Wisconsin 53707-7921
(608) 266-2951
fax: (608) 264-6277
e-mail: blanca.rivera@dnr.state.wi.us

Department of Military Affairs

Major General Albert H. Wilkening, Adjutant General
Audit Contact: Mr. Brett Coomber, Budget and Policy Manager
The Adjutant General's Office
2400 Wright Street
P.O. Box 14587
Madison, Wisconsin 53714-0587
(608) 242-3155
fax: (608) 242-3154
e-mail: brett.coomber@dma.state.wi.us

Department of Commerce

Mr. Cory L. Nettles, Secretary
Audit Contact: Ms. Colleen Holtan, Director
Bureau of Fiscal Services
201 West Washington Avenue, 6th Floor
P.O. Box 7970
Madison, Wisconsin 53707-7970
(608) 267-7200
fax: (608) 266-7057
e-mail: choltan@commerce.state.wi.us

Wisconsin Technical College System Board

Mr. Richard Carpenter, President
Audit Contact: Mr. Keith Krinke, Director
Bureau of Budget, Finance and Management
310 Price Place
P.O. Box 7874
Madison, Wisconsin 53707-7874
(608) 266-1844
fax: (608) 266-1690
e-mail: krinkek@board.tec.wi.us

Department of Corrections

Mr. Matthew J. Frank, Secretary
Audit Contact: Ms. Beverly Balakhovskiy, Director
Bureau of Finance and Administrative Services
3099 East Washington Avenue
P.O. Box 7925
Madison, Wisconsin 53707-7925
(608) 240-5420
fax: (608) 240-3342
e-mail: bev.balakhovskiy@doc.state.wi.us

Department of Veterans Affairs

Mr. Raymond G. Boland, Secretary
Audit Contact: Mr. Roger Graham, Director
Bureau of Fiscal Services
30 West Mifflin Street
P.O. Box 7843
Madison, Wisconsin 53707-7843
(608) 266-3916
fax: (608) 267-0403
e-mail: roger.graham@dva.state.wi.us

Department of Justice

Ms. Peggy A. Lautenschlager, Attorney General
Audit Contact: Mr. Dan Oakland, Financial Officer
Bureau of Budget and Finance
17 West Main Street
P.O. Box 7857
Madison, Wisconsin 53707-7857
(608) 266-2609
fax: (608) 266-1656
e-mail: oaklanddl@doj.state.wi.us

Department of Agriculture, Trade and Consumer Protection

Mr. Rod Nilsestuen, Secretary
Audit Contact: Ms. Karen Van Schoonhoven, Section Chief
Bureau of Budget and Accounting
2811 Agriculture Drive
P.O. Box 8911
Madison, Wisconsin 53708-8911
(608) 224-4800
fax: (608) 224-4737
e-mail: karen.vanschoonhoven@datcp.state.wi.us

Higher Educational Aids Board

Ms. Jane Hojan-Clark, Executive Secretary
Audit Contact: Ms. Sherrie Nelson, Financial Manager
Office of Administrative Services/Fiscal Affairs
131 West Wilson Street, Suite 902
P.O. Box 7885
Madison, Wisconsin 53707-7885
(608) 267-2944
fax: (608) 267-2808
e-mail: sherrie.nelson@heab.state.wi.us

Wisconsin Historical Society

Mr. Robert Thomasgard, Director
Audit Contact: Mr. David Seligman, Administrator
Division of Administrative Services
816 State Street, Room 325
Madison, Wisconsin 53706
(608) 264-6434
fax: (608) 264-6433
e-mail: dhseligman@whs.wisc.edu

Wisconsin Arts Board

Mr. George Tzougros, Executive Director
Audit Contact: Ms. Connie Miller, Assistant Director for Administration
101 East Wilson Street, 1st Floor
Madison, Wisconsin 53703
(608) 266-0841
fax: (608) 267-0380
e-mail: connie.miller@arts.state.wi.us

Child Abuse and Neglect Prevention Board

Ms. Mary Anne Snyder, Executive Director
Audit Contact: Ms. Sally Acuff, Audit Liaison
Bureau of Fiscal Services
Department of Health and Family Services
1 West Wilson Street
P.O. Box 7850
Madison, Wisconsin 53707-7850
(608) 266-9576
fax: (608) 264-9874
e-mail: acuffsa@dhfs.state.wi.us

Educational Communications Board

Mr. Thomas Fletemeyer, Executive Director
Audit Contact: Mr. Ted Tobie, Associate Director
Finance and Administrative Services
3319 West Beltline Highway
P.O. Box 4296
Madison, Wisconsin 53713-4296
(608) 264-9667
fax: (608) 264-9664
e-mail: ttobie@ecb.state.wi.us

Public Service Commission

Ms. Burneatta Bridge, Chairperson
Audit Contact: Mr. Gordon Grant, Director
Bureau of Fiscal Services
610 North Whitney Way, 2nd Floor
P.O. Box 7854
Madison, Wisconsin 53707-7854
(608) 267-9086
fax: (608) 266-3957
e-mail: gordon.grant@psc.state.wi.us

Department of Electronic Government
Mr. Bruce Reines, Acting Secretary
Audit Contact: Ms. Susan Puntillo, Director
Office of Change Management
101 East Wilson Street, 8th Floor
Madison, Wisconsin 53702
(608) 267-0614
fax: (608) 267-0626
e-mail: susan.puntillo@deg.state.wi.us

Board on Aging and Long-Term Care
Mr. George F. Potaracke, Executive Director
1402 Pankratz Street, Suite 111
Madison, Wisconsin 53704-4001
(608) 246-7014
fax: (608) 246-7001
e-mail: george.potaracke@ltc.state.wi.us

Department of Revenue
Mr. Michael Morgan, Secretary
Audit Contact: Mr. Richard Grade, Director
Financial Management Services Bureau
2135 Rimrock Road
P.O. Box 8933 MD# 6-261
Madison, Wisconsin 53708-8933
(608) 266-8469
fax: (608) 266-2204
e-mail: rgrade@dor.state.wi.us

Department of Tourism
Mr. Kevin Shibilski, Secretary
Audit Contact: Mr. Glenn Aumann, Accountant
Bureau of Administrative Services
P.O. Box 7976
Madison, Wisconsin 53707-7976
(608) 266-7933
fax: (608) 266-3403
e-mail: gaumann@tourism.state.wi.us

Department of Employee Trust Funds
Mr. Eric Stanchfield, Secretary
Audit Contact: Mr. Bob Willett, Director
Controllers Office
801 West Badger Road
P.O. Box 7931
Madison, Wisconsin 53707-7931
(608) 266-0904
fax: (608) 267-0633
e-mail: bob.willett@etf.state.wi.us

Appendix 3

University of Wisconsin Campus Contact Information

Listed below are the University of Wisconsin campuses included in the scope of the FY 2001-02 Single Audit, along with campus contact names, addresses, telephone numbers, fax numbers, and e-mail addresses. These campuses may be contacted regarding resolution of audit findings and questioned costs, or other matters concerning the audit.

UW-Madison for student financial aids:

Mr. John D. Wiley, Chancellor
Audit Contact: Mr. Steve Van Ess, Director
Office of Student Financial Services
University of Wisconsin-Madison
432 North Murray Street
Madison, Wisconsin 53706-1496
(608) 263-3202
fax: (608) 262-9068
e-mail: steve.vaness@finaid.wisc.edu

UW-Madison for other federal compliance:

Audit Contact: Ms. Nancy L. Wilkinson, Assistant Vice Chancellor for Research
Office for Research and Sponsored Programs
University of Wisconsin-Madison
750 University Avenue, Room 456
Madison, Wisconsin 53706-1490
(608) 262-3822
fax: (608) 262-5111
e-mail: nwilkinson@rsp.wisc.edu

UW-Milwaukee:

Ms. Nancy L. Zimpher, Chancellor
Audit Contact: Mr. Paul Rediske, Director of Internal Audit
University of Wisconsin-Milwaukee
P.O. Box 413
Milwaukee, Wisconsin 53201
(414) 229-5586
fax: (414) 229-6539
e-mail: pwr@bfs.uwm.edu

UW-Eau Claire:

Mr. Donald J. Mash, Chancellor
Audit Contact: Ms. Valerie Wing, Internal Auditor
University of Wisconsin-Eau Claire
NUR-216
Eau Claire, Wisconsin 54701
(715) 836-5407
fax: (715) 836-4319
e-mail: wingvc@uwec.edu

UW-Green Bay:

Mr. W. Bruce Shepard, Chancellor
Audit Contact: Mr. John Majewski, Internal Auditor, Business and Finance
University of Wisconsin-Green Bay
CL 835B
2420 Nicolet Drive
Green Bay, Wisconsin 54311-7001
(920) 465-5067
fax: (920) 465-2038
e-mail: majewskj@uwgb.edu

UW-La Crosse:

Mr. Douglas N. Hastad, Chancellor
Audit Contact: Mr. William Graumann, Internal Auditor
University of Wisconsin-La Crosse
271 Morris Hall
La Crosse, Wisconsin 54601
(608) 785-8721
fax: (608) 285-8544
e-mail: graumann.will@uwlax.edu

UW-Oshkosh:

Mr. Richard H. Wells, Chancellor
Audit Contact: Mr. Shawn H. Kelly, Internal Auditor
University of Wisconsin-Oshkosh
800 Algoma Boulevard
Oshkosh, Wisconsin 54901-8609
(920) 424-3483
fax: (920) 424-2240
e-mail: kellys@uwosh.edu

UW-Parkside:

Mr. John P. Keating, Chancellor
Audit Contact: Mr. Dennis J. Irwin, Internal Auditor
University of Wisconsin-Parkside
900 Wood Road, Box 2000
Kenosha, Wisconsin 53141-2000
(262) 595-3223
fax: (262) 595-2630
e-mail: irwin@uwp.edu

UW-Platteville:

Mr. David J. Markee, Chancellor
Audit Contact: Mr. Stephen Zielke, Assistant Chancellor for Business Affairs
University of Wisconsin-Platteville
330 Brigham Hall
1 University Plaza
Platteville, Wisconsin 53818
(608) 342-1226
fax: (608) 342-1232
e-mail: zielke@uwplatt.edu

UW-River Falls:

Ms. Ann M. Lydecker, Chancellor
Audit Contact: Mr. Virgil C. Nylander, Vice Chancellor for Administration and Finance
University of Wisconsin-River Falls
410 S. Third Street
River Falls, Wisconsin 54022-5001
(715) 425-3737
fax: (715) 425-3939
e-mail: virgil.c.nylander@uwrf.edu

UW-Stevens Point:

Mr. Thomas F. George, Chancellor
Audit Contact: Ms. Christine Cherney, Internal Auditor
University of Wisconsin-Stevens Point
2100 Main Street
Stevens Point, Wisconsin 54481
(715) 346-4693
fax: (715) 346-4011
e-mail: ccherney@uwsp.edu

UW-Stout:

Mr. Charles W. Sorenson, Chancellor
Audit Contact: Ms. Kim Schulte-Shoberg, Internal Auditor-Senior
University of Wisconsin-Stout
Administrative and Student Life Services
Room 225 Administration Building
Menomonie, Wisconsin 54751-0790
(715) 232-2641
fax: (715) 232-2293
e-mail: schulte-shobergk@uwstout.edu

UW-Superior:

Mr. Julius E. Erlenbach, Chancellor
Audit Contact: Ms. Janet K. Hanson, Vice Chancellor for Administration and Finance
University of Wisconsin-Superior
P.O. Box 2000
Superior, Wisconsin 54880
(715) 394-8014
fax: (715) 394-8171
e-mail: jhanson@uwsuper.edu

UW-Whitewater:

Mr. John W. Miller, Chancellor
Audit Contact: Mr. Mike Klink, Internal Auditor-Senior
University of Wisconsin-Whitewater
800 West Main Street
Whitewater, Wisconsin 53190-1790
(262) 472-5671
fax: (262) 472-5668
e-mail: klinkm@uwwvax.uww.edu

UW Colleges:

Mr. William F. Messner, Chancellor
Audit Contact: Mr. Gregory P. Johnson, Internal Auditor
University of Wisconsin Colleges
780 Regent Street, Box 8680
Madison, Wisconsin 53708-8680
(608) 265-5765
fax: (608) 265-5770
e-mail: gjohnson@uwc.edu

UW-Extension:

Mr. Kevin P. Reilly, Chancellor
Audit Contact: Mr. Mahmud Safavi, Internal Auditor
University of Wisconsin-Extension
432 North Lake Street Room 501B
Madison, Wisconsin 53706-1498
(608) 263-7810
fax: (608) 262-8404
e-mail: safavi@admin.uwex.edu

UW System Administration:

Ms. Katharine Lyall, President
Audit Contact: Ms. Deborah Durcan, Vice President for Finance
University of Wisconsin System Administration
1752 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin 53706
(608) 262-1311
fax: (608) 262-3985
e-mail: ddurcan@uwsa.edu

Wisconsin Humanities Council:

Mr. Max Harris, Director
Wisconsin Humanities Council
222 South Bedford Street, Suite F
Madison, Wisconsin 53703
(608) 262-0706
fax: (608) 263-7970
e-mail: mrharri1@facstaff.wisc.edu

Mr. Greg Hans, Controller
University of Wisconsin-Extension
432 North Lake Street, Room 104
Madison, Wisconsin 53706
(608) 262-5975
fax: (608) 262-0163
e-mail: greg.hans@uwex.edu