

Business Affairs and Audit Committee

May 2019

RADFORD UNIVERSITY

Board of Visitors

RADFORD UNIVERSITY

Board of Visitors

BUSINESS AFFAIRS AND AUDIT COMMITTEE MEETING

1:30 P.M. **

MAY 9, 2019

MARY ANN JENNINGS HOVIS MEMORIAL BOARD ROOM
THIRD FLOOR, MARTIN HALL, RADFORD, VA

DRAFT **AGENDA**

- **CALL TO ORDER** Mr. Gregory Burton, *Chair*
- **APPROVAL OF AGENDA** Mr. Gregory Burton, *Chair*
- **APPROVAL OF MINUTES** Mr. Gregory Burton, *Chair*
February 7, 2019
- **REPORTS AND RECOMMENDATIONS**
 - Report from the Auditor of Public Accounts Mr. Zachary Borgerding, *Audit Director, Reporting and Standards, and Radford University Project Manager*
 - University Auditor's Report Ms. Margaret McManus, *University Auditor*
 - Police Department Introduction Mr. Chad A. Reed, *Vice President for Finance and Administration and Chief Financial Officer*
 - Capital Projects Update Mr. Chad A. Reed, *Vice President for Finance and Administration and Chief Financial Officer*
 - Succession Plan Update Mr. Chad Reed, *Associate Vice President for Finance and Administration and Chief Financial Officer*
- **ACTION ITEMS**
 - Roanoke Higher Education Center Equipment Transfer Mr. Chad A. Reed, *Vice President for Finance and Administration and Chief Financial Officer*

- Discussion and Recommendations for
For 2019-2020 Tuition and Fees

Mr. Chad A. Reed, *Vice President for
Finance and Administration and Chief Financial
Officer*

- **OTHER BUSINESS**

Mr. Gregory Burton, *Chair*

- **ADJOURNMENT**

Mr. Gregory Burton, *Chair*

****All start times for committees are approximate only. Meetings may begin either before or after the listed approximate start time as committee members are ready to proceed.**

COMMITTEE MEMBERS:

Mr. Gregory A. Burton, Chair
Dr. Jay A. Brown, Vice Chair
Dr. Susan Whealler Johnson
Mr. James R. Kibler, Jr.
Mr. Randy J. Marcus
Dr. Debra K. McMahan
Ms. Nancy A. Rice

May 2019

Meeting Materials

RADFORD UNIVERSITY

Board of Visitors



COMMONWEALTH OF VIRGINIA SINGLE AUDIT REPORT

FOR THE YEAR ENDED
JUNE 30, 2018

Auditor of Public Accounts
Martha S. Mavredes, CPA
www.apa.virginia.gov
(804) 225-3350



AUDITOR'S SECTION

EXECUTIVE SUMMARY

The results of our **financial statement audit** of the Commonwealth of Virginia for the year ended June 30, 2018, are summarized as follows:

- we issued an unmodified opinion on the basic financial statements;
- we found certain matters that we consider to be material weaknesses in internal control over financial reporting;
- we found certain matters that we consider significant deficiencies in internal control over financial reporting; and
- we identified instances of noncompliance or other matters required to be reported under Government Auditing Standards related to the basic financial statements.

The results of our **single audit** of the Commonwealth of Virginia for the year ended June 30, 2018, are summarized as follows:

- we issued an unmodified opinion on the Commonwealth's compliance with requirements applicable to each major program, except for the 97.042 Emergency Management Performance Grants and 97.067 Homeland Security Grant Program, which were both qualified for allowable costs and cost principles;
- we found certain matters and instances of noncompliance with selected provisions, which are required to be reported in accordance with Uniform Guidance, 2 CFR Part 200;
- we found certain matters that we consider to be material weaknesses in internal control over compliance;
- we found certain matters that we consider to be significant deficiencies in internal control over compliance; and
- the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit findings along with a summary of the views of officials are reported in the accompanying "Schedule of Findings and Questioned Costs." Consistent with prior years, unabridged views of responsible officials concerning audit findings are in the report related to their agency, which can be found at www.apa.virginia.gov. Management's Corrective Action Plan will be available from the Federal Audit Clearinghouse web site and the Virginia Department of Accounts' web site at www.doa.virginia.gov.

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February 8, 2019

The Honorable Ralph S. Northam
Governor of Virginia

The Honorable Thomas K. Norment, Jr.
Chairman, Joint Legislative Audit
and Review Commission

We are pleased to submit the [Commonwealth of Virginia Single Audit Report](#) for the fiscal year ended June 30, 2018.

This report contains our:

- report on internal control over financial reporting and compliance;
- report on compliance for each major federal program;
- report on internal control over compliance;
- report on the Schedule of Expenditures of Federal Awards; and
- resulting Schedule of Findings and Questioned Costs.

Additionally, this report contains management's:

- Summary Schedule of Prior Audit Findings; and
- Schedule of Expenditures of Federal Awards, with footnotes.

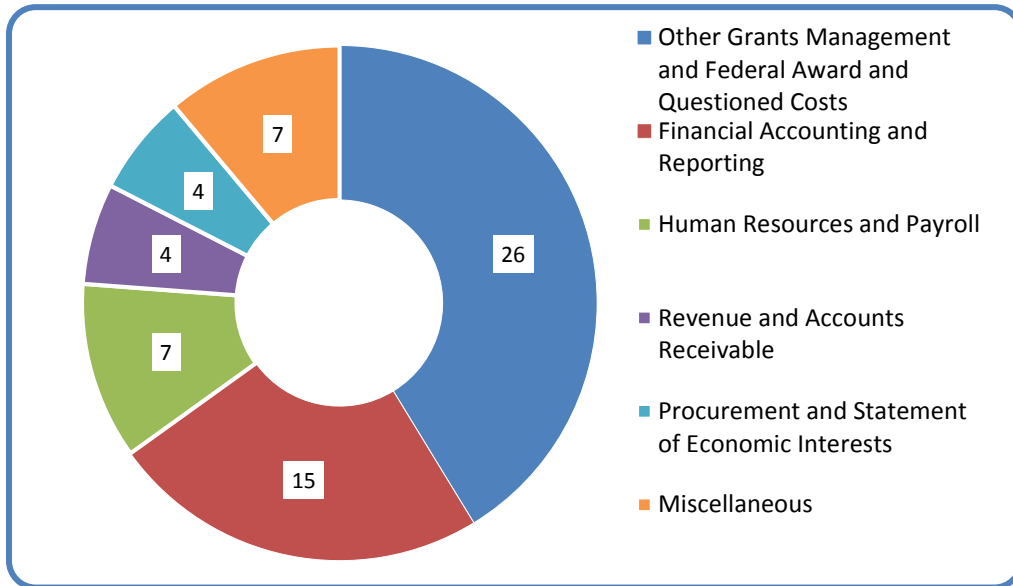
The Commonwealth's [Comprehensive Annual Financial Report](#) for the year ended June 30, 2018, and our report thereon have been issued under separate cover.

As in previous years, we included two listings of all findings in Appendix I of this report. The first list organizes all findings by topical area and the second list organizes all findings by the applicable entity. Additionally, because information security findings are a substantial number of the Commonwealth's findings, we continue to provide additional information about these findings. The Commonwealth of Virginia's Information Security Standard, SEC 501 (Security Standard) adopts the Information System Security Control Families (families) from the National Institute of Standards and Technology (NIST). The Security Standard uses these families to organize the controls that the Commonwealth is required to apply to its information systems. According to NIST, a family "contains security controls related to the general security topic of the family. Security controls may involve aspects of policy, oversight, supervision, manual processes, actions by individuals, or automated mechanisms implemented by information systems and devices."

Chart 1 on the next page shows the categories for all non-information systems security findings and Chart 2 shows the control families impacted by the issues reported in the information systems security findings.

Non-Information Systems Security Findings

Chart 1

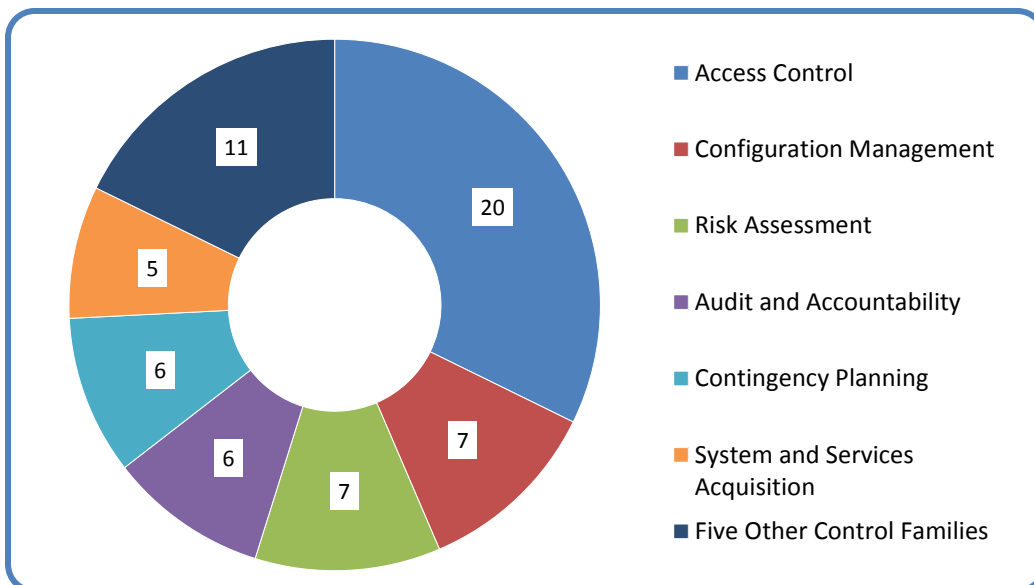


Note: Of the 26 findings in the categories of "Other Grants Management" and "Federal Award Findings and Questioned Costs," ten relate to federal compliance only. Additional findings relating to both federal compliance and the financial statements are categorized within a non-federal category.

Of the 63 findings above in Chart 1, eight represent weaknesses that are material to the Commonwealth’s Comprehensive Annual Financial Report. Additionally, there are 49 information systems security findings represented in Chart 2 below. Consistent with recent years, access control represents approximately one quarter of the weaknesses in information systems security.

Information Systems Security Findings by Control Families

Chart 2



Note: Eight findings reported deficiencies with multiple control families. For this graph, the deficiencies are broken-out and included to the total of each control family impacted.

We would like to express our appreciation to the many individuals whose efforts assisted in preparing this report and recognize the Commonwealth's management and federal program and financial staff for their cooperation and assistance in resolving single audit issues.

AUDITOR OF PUBLIC ACCOUNTS

GDS/clj

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Commonwealth of Virginia, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Commonwealth's basic financial statements, and have issued our report thereon dated December 14, 2018. Our report includes a reference to other auditors who audited the financial statements of Virginia College Savings Plan (major fund and private purpose trust fund), which is discussed on pages 53 and 264 of the financial statements, and certain blended and discretely presented component units of the Commonwealth, as described in our report on the Commonwealth’s financial statements and Note 1.B. to the financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Hampton Roads Sanitation District Commission, Science Museum of Virginia Foundation, Virginia Museum of Fine Arts Foundation, Library of Virginia Foundation, and Danville Science Center, Inc., which were audited by other auditors upon whose reports we are relying, were audited in accordance with auditing standards generally accepted in the United States of America, but not in accordance with Government Auditing Standards.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying “Schedule of Findings and Questioned Costs,” we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A **MATERIAL WEAKNESS** is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies in internal control over financial reporting identified with the following numbers and titles in the accompanying "Schedule of Findings and Questioned Costs," to be **material weaknesses**:

<u>Finding Number</u>	<u>Finding Title</u>
2018-001	Identify and Evaluate Changes to Previously Identified Component Units for Financial Reporting
2018-002	Evaluate Invoices for Goods or Services Provided Across Multiple Fiscal Years
2018-004	Implement Separation of Duties over VPSA Education Technology Grant Payments
2018-007	Improve Controls Over Financial Reporting
2018-009	Strengthen Controls over Year-End Accrual Reporting
2018-016	Enhance Review of Accounts Receivable for Financial Reporting
2018-020	Improve Financial Reporting of Infrastructure Assets with Proactive Policies and Procedures
2018-087	Improve Controls over Income Verification for the Temporary Assistance for Needy Family Program

A **SIGNIFICANT DEFICIENCY** is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies identified with the following numbers in the accompanying "Schedule of Findings and Questioned Costs," to be **significant deficiencies**:

Finding Numbers: 2018-

003	005	006	008	010	011	012	013
014	015	017	018	019	021	022	023
024	025	026	027	028	029	030	031
032	033	034	035	036	037	038	039
040	041	042	043	044	045	046	047
048	049	050	051	052	053	054	055
056	057	058	059	060	061	062	063
064	065	066	067	068	069	070	071
072	073	074	075	076	077	078	079
080	081	082	083	084	085	086	088
089	090	091	092	093	094	095	096
097	098	099	101	102	103		

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commonwealth's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of **NONCOMPLIANCE** or **OTHER MATTERS** that are required to be reported under Government Auditing Standards and which are identified with the following numbers in the accompanying "Schedule of Findings and Questioned Costs" as items:

Finding Numbers: 2018-

017	023	024	025	026	027	028	029
030	031	032	033	034	035	036	038
039	040	041	042	043	044	045	046
047	048	049	050	051	052	053	054
055	056	057	058	059	060	061	062
063	064	065	066	067	068	069	070
071	072	073	074	077	078	080	081
082	083	086	087	088	089	090	091
092	093	094	097	098	099	101	102
103							

We noted certain additional matters involving internal control over financial reporting and immaterial instances of noncompliance that we have reported to the management of the individual state agencies and institutions.

Commonwealth's Response to Findings

The Commonwealth's written response to the findings consist of both the responsible official's response and management's Corrective Action Plan. A copy of the responsible official's response, containing the views of the responsible officials, is in the report related to their agency, which can be found at www.apa.virginia.gov. The views of responsible officials are summarized under each respective finding in the accompanying "Schedule of Findings and Questioned Costs." Additionally, management's Corrective Action Plan will be available from the Federal Audit Clearinghouse web site and the Virginia Department of Accounts' web site at www.doa.virginia.gov. Management's Corrective Action Plan is not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

MARTHA S. MAVREDES
AUDITOR OF PUBLIC ACCOUNTS
RICHMOND, VA
December 14, 2018

**INDEPENDENT AUDITOR’S REPORT
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY UNIFORM GUIDANCE**

Report on Compliance for Each Major Federal Program

We have audited the Commonwealth of Virginia's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the Commonwealth's major federal programs for the year ended June 30, 2018. The Commonwealth's major federal programs are identified in the "Summary of Auditor's Results" section of the accompanying "Schedule of Findings and Questioned Costs."

The Commonwealth's basic financial statements include the operations of certain agencies and component units, which received federal awards that are not included in the Commonwealth's Schedule of Expenditures of Federal Awards for the year ended June 30, 2018. Our audit, described below, did not include the operations of these agencies and component units since they were audited by other auditors as discussed in Note 1 of the "Notes to the Schedule of Expenditures of Federal Awards."

Management's Responsibility

The Commonwealth's management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Commonwealth's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commonwealth's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the Commonwealth's compliance.

Basis for Qualified Opinion on CFDA 97.042 Emergency Management Performance Grants

As described in the accompanying “Schedule of Findings and Questioned Costs,” the Commonwealth of Virginia did not comply with requirements regarding CFDA number 97.042 Emergency Management Performance Grants as described in finding numbers 2018-108, 2018-109, and 2018-110 for Allowable Costs and Cost Principles. Compliance with such requirements is necessary, in our opinion, for the Commonwealth to comply with the requirements applicable to that program.

Qualified Opinion on CFDA 97.042 Emergency Management Performance Grant Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Commonwealth complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 97.042 Emergency Management Performance Grant for the year ended June 30, 2018.

Basis for Qualified Opinion on CFDA 97.067 Homeland Security Grant Program

As described in the accompanying “Schedule of Findings and Questioned Costs,” the Commonwealth of Virginia did not comply with requirements regarding CFDA 97.067 Homeland Security Grant Program as described in finding numbers 2018-108, 2018-109, and 2018-110 for Allowable Costs and Cost Principles. Compliance with such requirements is necessary, in our opinion, for the Commonwealth to comply with the requirements applicable to that program.

Qualified Opinion on CFDA 97.067 Homeland Security Grant Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Commonwealth complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 97.067 Homeland Security Grant Program for the year ended June 30, 2018.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the Commonwealth complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying “Schedule of Findings and Questioned Costs” for the year ended June 30, 2018.

Other Matters

The results of our auditing procedures disclosed other instances of **NONCOMPLIANCE**, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying “Schedule of Findings and Questioned Costs” as items:

Finding Numbers: 2018-

017	025	026	040	042	051	054	058
081	087	088	089	090	091	092	093
094	097	098	099	100	101	102	103
104	105	106	107	111	112		

Our opinion on each major federal program is not modified with respect to these matters.

The Commonwealth's written response to the findings consist of both the responsible official's response and management's Corrective Action Plan. A copy of the responsible official's response, containing the views of the responsible officials, is in the report related to their agency, which can be found at www.apa.virginia.gov. The views of responsible officials are summarized under each respective finding in the accompanying "Schedule of Findings and Questioned Costs." Additionally, management's Corrective Action Plan will be available from the Federal Audit Clearinghouse web site and the Virginia Department of Accounts' web site at www.doa.virginia.gov. Management's Corrective Action Plan is not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

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

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A **MATERIAL WEAKNESS** in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the

deficiencies in internal control over compliance, identified with the following numbers and titles in the accompanying “Schedule of Findings and Questioned Costs,” to be **material weaknesses**:

<u>Finding Number</u>	<u>Finding Title</u>
2018-087	Improve Controls over Income Verification for the Temporary Assistance for Needy Family Program
2018-108	Continue to Strengthen Internal Controls over Time and Effort Reporting for Federal Grants
2018-109	Strengthen Internal Controls over Journal Entries
2018-110	Improve Controls over Payroll Adjustments

A **SIGNIFICANT DEFICIENCY** in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance identified with the following numbers in the accompanying “Schedule of Findings and Questioned Costs” to be **significant deficiencies**:

Finding Numbers: 2018-

017	025	026	040	042	051	054	058
081	088	089	090	091	092	093	094
095	096	097	098	099	100	101	102
103	104	105	106	107	111	112	

The Commonwealth’s written response to the findings consist of both the responsible official’s response and management’s Corrective Action Plan. A copy of the responsible official’s response, containing the views of the responsible officials, is in the report related to their agency, which can be found at www.apa.virginia.gov. The views of responsible officials are summarized under each respective finding in the accompanying “Schedule of Findings and Questioned Costs.” Additionally, management’s Corrective Action Plan will be available from the Federal Audit Clearinghouse web site and the Virginia Department of Accounts’ web site at www.doa.virginia.gov. Management’s Corrective Action Plan is not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Commonwealth as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Commonwealth’s basic financial statements. We issued our report thereon dated December 14, 2018, which contained

unmodified opinions on those financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to December 14, 2018. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

MARTHA S. MAVREDES
AUDITOR OF PUBLIC ACCOUNTS
RICHMOND, VA
February 8, 2019

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SECTION 1: SUMMARY OF AUDITOR'S RESULTS
FOR THE YEAR ENDED JUNE 30, 2018

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	Yes
Significant deficiencies identified?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weaknesses identified?	Yes
Significant deficiencies identified?	Yes

Type of auditor's report issued on compliance for major federal programs:
 Unmodified for all major federal programs except for 97.042 Emergency Management Performance Grants and the 97.067 Homeland Security Grant Program, which were both qualified for allowable costs and cost principles.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
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Dollar threshold used to distinguish between Type A and Type B programs:	\$ 30,000,000
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Commonwealth qualified as low-risk auditee?	No
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The major federal programs listed on the next page are in order by their Catalog of Federal Domestic Assistance (CFDA) number. The first CFDA number in a cluster is used to determine the cluster's placement within the list.

The Commonwealth's major federal programs are as follows:

CFDA Number	Name of Federal Program or Cluster (Common Acronym)
10.551 10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
84.007 84.033 84.038 84.063 84.268 84.379 84.408 93.264 93.342 93.364 93.925	Student Financial Assistance (SFA) Programs Cluster
84.419	Preschool Development Grants
93.558 93.714	Temporary Assistance for Needy Family (TANF) Cluster
93.568	Low-Income Home Energy Assistance (LIHEAP)
93.775 93.777 93.778	Medicaid Cluster
97.042	Emergency Management Performance Grants
97.067	Homeland Security Grant Program

SCHEDULE OF FINDINGS AND QUESTIONED COSTS SECTION 2: FINANCIAL STATEMENT FINDINGS

FINANCIAL ACCOUNTING AND REPORTING

2018-001: Identify and Evaluate Changes to Previously Identified Component Units for Financial Reporting

Applicable to: Department of Transportation

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Material Weakness

Transportation did not properly evaluate changes to a previously identified potential component unit to determine whether the changes would affect the previously determined classification for inclusion in the Commonwealth's CAFR. During fiscal year 2018, the Hampton Roads Transportation Accountability Commission (HRTAC) issued \$582 million in revenue bonds to support construction projects in the Commonwealth's Hampton Roads region. HRTAC supports this debt with tax revenue that it receives from Transportation. Further, current project plans will result in Commonwealth assets. These conditions require that the Commonwealth report HRTAC as a component unit in the CAFR, including the \$582 million in revenue bonds that it issued in fiscal year 2018. By not including HRTAC within the CAFR, Transportation could inadvertently mislead users of the financial statements on how Transportation funds new construction of certain Commonwealth assets in the Hampton Roads area.

The Comptroller's Directive No. 1-18, created by Accounts, requires agencies to update its component unit checklist if the potential component unit has experienced a change(s) that might affect its classification in the CAFR. Transportation did not identify this change because it did not have a procedure in place to evaluate previously reported potential component units to determine whether there is a change in circumstances that may affect an entity's classification for reporting in the CAFR. Additionally, Transportation did not appear to be actively reviewing HRTAC's audited financial statements for changes in operations and evaluating their effect on the previously determined classification.

Transportation should implement procedures to evaluate previously reported potential component units to determine whether there is a change in circumstances that may affect an entity's classification for the CAFR. These procedures should also extend to new potential component units. By doing such, Transportation will be able to assure itself and Accounts that the CAFR is complete and properly reflects the activity of all potential component units, where necessary.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-002: Evaluate Invoices for Goods or Services Provided Across Multiple Fiscal Years

Applicable to: Department of Transportation

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Material Weakness

Transportation is not reviewing and evaluating certain payments after fiscal year-end to determine if the expenses need to be accrued and included in Transportation's accounts payable submission to Accounts. Specifically, Transportation does not review or evaluate invoices for goods or services provided across multiple fiscal years when preparing its accrual submission to Accounts. In July and August 2018, Transportation processed 752 payments for construction and architecture and engineering services related to highway construction projects for approximately \$237 million.

Contractors invoice Transportation on a monthly basis for charges incurred during the billing period. Therefore, some of the billing periods contained within the invoices remitted by contractors cross fiscal years. This issue is more prevalent to the invoices billed in July than in August. Transportation performed a subsequent analysis after the auditors brought this matter to their attention and estimated that current year payables were about to be understated by approximately \$97 million. Because many of these expenses relate to the construction of capital assets and due to Transportation not completing this evaluation in prior years, the effect on ending net position and current year expenses, respectively, for the Commonwealth is limited.

Generally Accepted Accounting Principles (GAAP) accrual basis of accounting using the economic resources measurement focus requires that the entity record expenses when the corresponding liability is incurred, regardless of the timing of cash flows. Additionally, Accounts' 2018 Fiscal Year-End Closing Procedures, states that "if an agency processes transactions using only one voucher, where the transactions cross fiscal years, the cumulative impact of not separating these transactions should be monitored and reported to Accounts if it becomes significant." Accounts requires agencies to report this matter if the net dollar impact is greater than \$100,000. Without evaluating whether invoices for goods or services provided across fiscal years should be fully or partially accrued at fiscal year-end, Transportation risks significantly understating the accounts payable line item included in the CAFR. This type of understatement could cause a user of the CAFR to consider the Commonwealth's payables more favorably than what the user may believe had Transportation done an analysis of expenses and reported a related payable.

Transportation should develop and implement procedures to estimate accruals for invoices with goods and services that cross multiple fiscal years. When developing these procedures, Transportation

should consider identifying vendors that bill for services over a period of time (i.e., monthly or quarterly), as payments for these services will likely require partial accrual at fiscal year-end. Transportation should then discuss any matters that it deems significant with Accounts to evaluate if these transactions should be reported within the Commonwealth's CAFR.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-003: Improve Policies over Service Concession Arrangements

Applicable to: Department of Transportation

Prior Year Finding Number: 2017-004

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

Transportation's policies covering the determination of and accounting for service concession arrangements are incomplete and vague in some areas. Some aspects of the policies are not detailed enough to ensure operational effectiveness of the policy, for example, not clearly defining how to identify all projects to include in service concession arrangement work in process.

Fiscal created the current policy as an initial response to the prior year material weakness in financial reporting. Service concession arrangement projects are highly complex and the proper reporting of these arrangements requires coordination between several Transportation divisions, analysis of complex agreements, and compilation of work in process from multiple project sources. We found the following issues:

- The service concession policy does not include direction on how to allocate concessionaire-funded costs, Transportation public contributions, or oversight costs between depreciable and non-depreciable assets, which was a major contributing factor in the prior year material weakness.
- The service concession policy is inconsistent on which projects to include in the service concession work in process during construction. One section says oversight projects are in normal work in process and capitalized every two years, and another section says oversight projects are included in service concession arrangement work in process until the constructed assets are complete. This distinction was the major contributing factor in the material misstatement and weakness reported in the prior year. The policy should clearly define the service concession arrangement work in process to include expenditures from concessionaire funded projects, oversight projects, and public contribution projects. Fiscal should keep the expenditures for all of these projects in work in process until the service concession

arrangement asset is complete and turned over to Transportation. At that time, Transportation should capitalize the resulting asset.

- The service concession policy provides inadequate direction on how to determine the projects associated with each service concession arrangement and ensure that the list is complete.
- The service concession policy provides guidance on disclosing the existence and value for projects completed as extensions of existing service concession arrangement assets; however, Fiscal did not follow the policy. Fiscal reported a new extension to the I-95 Express Lanes service concession arrangement assets in the footnote disclosure but did not disclose its \$25.7 million value. Additionally, Fiscal did not follow standard work in process accounting rules when Fiscal capitalized current year expenditures directly as an asset rather than running them through work in process. Fiscal understated current year work in process increases and decreases by \$15.1 million.
- The service concession policy does not include control procedures for validating or reviewing for reasonableness queries and data obtained from other departments.
- The service concession policy does not adequately address the collaboration necessary between various Transportation departments for the gathering of information and data regarding service concession infrastructure assets.

Service concession arrangements are complex and involve large expenditures over several years. If Fiscal's policies do not include adequate guidance for the potential complexities of service concession arrangements, there is a significant risk of misstating capital asset balances.

Fiscal should strengthen, clarify, and expand the current policies to provide clear guidance on how to identify projects to include in service concession arrangement work in process. Fiscal policies should include direction on how to accurately account for the potential mix of depreciable and non-depreciable assets generated from a typical service concession arrangement. Within the policies, Fiscal should improve documentation of the involvement of responsible parties and departments in the review, collaboration, and determination of critical disclosures or accounting requirements. Fiscal should document and implement a policy that all concessionaire-funded, Transportation public funded, and oversight projects are included in work in process for the life of the service concession arrangement project cycle and capitalized upon completion.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-004: Implement Separation of Duties over VPSA Education Technology Grant Payments

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Material Weakness

Education is the authorizing agency for the VPSA Education Technology grant payments made from the State Non-Arbitrage Program account established by Treasury, herein referred to as “the bank.” When a locality requests reimbursement for funds related to this grant, the request must be received, reviewed, and approved by Education’s Office of Budgeting (Budget) to authorize the cash disbursement from the bank. To make this authorization, the Education Finance Analyst completes the first review of the request and then provides the request documents to her supervisor, the Budget Director, or the Deputy Superintendent of Budget, Finance, and Operations (Deputy Superintendent) for approval. Upon approval, the Budget Director or Deputy Superintendent will provide his authorizing signature on a certification page of the request and return all documents back to the Education Finance Analyst. The Education Finance Analyst then retains custody of this signature and provides the certification page, which has the authorized signature, and the reimbursement requested amount to the bank. No further review of amounts submitted to the bank by the Education Finance Analyst is completed. Additionally, Education has assigned the responsibility of reconciling between the amounts paid out of the bank and the reimbursement requests received from localities to the same Education Finance Analyst. This reconciliation is not reviewed by anyone at Education. Allowing the Education Finance Analyst to have all of the following creates a separation of duties violation:

- Control of the authorizing signature;
- Direct communication with the bank;
- Responsibility for recording transactions without any post reviews;
- Responsibility for performing the monthly reconciliations without any post reviews; and
- Responsibility for preparing and providing management with related financial reports.

Separation of duties between recording, authorizing, and reconciling must exist for financial transactions as part of any sound system of internal controls. Additionally, internal controls should provide for the safeguarding of assets. Per the Commonwealth Accounting Policies and Procedures (CAPP) Manual Topic 20905, “agency management is responsible for instituting internal control over the recording of financial transactions that is designed to provide reasonable assurance regarding the reliability of those records.”

The sale of VPSA bonds produces available grant funding for the localities of approximately \$58 million, annually. These proceeds are deposited into separate accounts for each bond sale at the bank, which remain open and available for disbursement for five years after creation. Designing and

implementing procedures whereby the Education Finance Analyst retains custody of the authorizing signature creates an opportunity for the Education Finance Analyst to alter the payment amount that is submitted to the bank for cash disbursement. Additionally, because there is no review over the Education Finance Analyst's submission to the bank or her reconciliation, Education increases the risk that fraud or errors will go undetected.

Education has not involved its Finance Office in the design and implementation of internal controls related to this program, which authorizes fund disbursements. Additionally, Education has assigned most of the daily activities for this program to one individual in Budget.

According to management, the risk of fraud is mitigated by the bank having control over the payee information. Auditors were unable to independently validate the existence or effectiveness of the controls at the bank. The risk of error occurring is only mitigated if the localities bring any inaccurate payments they received to the attention of Education or if the Education Finance Analyst finds an error within her reconciliation. However, some localities do not request all available funding, which creates an opportunity for there to be funds at the bank that a locality will not use.

Education should ensure that the responsibilities for obtaining authorization, submitting information for payment to the bank, and reconciling VPSA Education Technology grant payments are performed by different individuals to ensure separation of duties has been enforced. This would include ensuring that the monthly reconciliations between the payments from the bank and reimbursements requests from localities are performed and reviewed by an appropriate individual. Budget should consider using the expertise of the Finance Office in the handling of this program. Additionally, Education should obtain assurance that the bank has properly designed and implemented internal controls to prevent fraudulent or unauthorized payees from receiving VPSA Education Technology payments and that the internal controls are operationally effective. According to management, a new application for automating the process for VPSA reimbursement requests was placed in service during fiscal year 2019. While we have not yet tested the new application, management should ensure that the new system is protected with the appropriate general controls and has the application controls necessary to enforce separation of duties.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-005: Continue to Improve Support and Review of Financial Recording

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: 2017-002

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

Education did not have adequate support or justifications for adjusting journal entries recorded in Education's internal accounting system (internal system). We made Education aware of the deficiencies contained in the journal entry support during our prior audit. Upon this discovery, management worked to update the journal entry process to ensure proper documentation was maintained and approvals were obtained prior to posting within the internal system. While improvement has been made since this time, we noted the following deficiencies in the 12 journal entries we tested that Education recorded after we made Education aware of the deficiencies in November 2017:

- Four journal entries did not contain adequate justification for why the entry was only posted to the internal system.
- Four journal entries did not contain the Budget Director's approval as required by the form instructions that were used at the time of transaction.
- One journal entry's supporting documentation did not have an award code on the report.

Per the CAPP Manual Topic 20905, "agency management is responsible for instituting internal control over the recording of financial transactions that is designed to provide reasonable assurance regarding the reliability of those records. Reliability of financial records means that management can reasonably make several assertions as to the completeness and accuracy of the financial records." Additionally, per Education's corrective action plan based on prior year findings, internal system and Commonwealth accounting system journal entries must include justification on the Move Request Form for why the transaction is recorded in one system and not the other.

Lack of management review and adequate supporting documentation increases the risk of Education recording inaccurate information. Also, if proper supporting documentation and justifications are not maintained for these entries, management may not be able to determine if accounting records are complete and accurate.

While Education worked to improve and document the new policy criteria for journal entries by November 2017, continued refining of the process occurred throughout the fiscal year. In the sample of journals tested, we identified that Education has not consistently ensured that journal entries have the adequate justifications and support to meet the new policy criteria and adequately address the deficiencies noted in the prior year audit report.

While Education has made improvements in its internal controls to ensure that journal entries have proper support and adequate justifications, further improvement and refinement of the process is

needed to ensure that the new policy for journal entries adequately addresses deficiencies noted in the current and prior years. Education should ensure that staff are properly using the new Move Request Form for journals entries and that management is reviewing for any inconsistencies. This will ensure that financial recording procedures provide sufficient direction for personnel regarding the support needed to submit entries into the internal system.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-006: Use Secure Local Division Data

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

Budget annually obtains localities average daily membership (ADM) figures to determine how much funding each locality should receive. These figures are obtained from the localities, verified for accuracy by multiple members of Budget, and imported into the Direct Aid Budget Spreadsheet (DABS) to be used in funding calculations. While both copies of the ADM figures contained the same amounts, in Fiscal Year 2018, Budget unknowingly linked to ADM figures directly from an employee's hard drive instead of using the verified amounts kept on the local shared drive.

Per management, linked or imported data within the DABS should only come from the local shared drive. This Education requirement is designed to comply with the Commonwealth's Information Security Standard, SEC 501 (Security Standard) and industry best practices, which require agencies to use specific controls to reduce unnecessary risk to data confidentiality, integrity, and availability in systems processing or storing sensitive information.

If Budget does not ensure the integrity of the ADM figures being used within DABS, funding distributions could be inaccurate. ADM figures are used in calculating several locality payments including basic aid, vocational education, gifted education, and special education, which represent \$3.7 billion in payments for fiscal year 2018. Allowing ADM numbers to come from a Budget staff's hard drive increases the risk of error and the risk that an individual will manipulate ADM numbers to reflect personal bias towards a school division by increasing or decreasing the ADM to drive a higher or lower payment.

According to management, the Budget staff used the correct file with verified ADM figures, but had it copied to the staff's hard drive rather than using the secured file on the local drive. Not ensuring the shared and secured file was used was an oversight by Budget. Going forward, Budget should ensure that the DABS links to the verified ADM figures secured on the local drive.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-007: Improve Controls Over Financial Reporting

Applicable to: Department of Human Resource Management

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Material Weakness

Human Resource Management should strengthen its internal controls over financial reporting. As the administrator of the statewide Pre-Medicare Retiree Healthcare plan, which is part of the Health Insurance Fund, Human Resource Management is responsible for preparing required information established by the Governmental Accounting Standards Board (GASB) necessary for financial reporting. For the fiscal year ended June 30, 2018, we audited Human Resource Management's implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). As an OPEB administrator, Human Resource Management is responsible for disseminating the appropriate financial information and required disclosures to all participating entities for inclusion in the participant's individual financial statements. We identified significant errors in the financial schedules, as well as elements of the disclosures and supplemental information that did not meet all requirements of GASB Statement No. 75. The errors identified include the following:

- The employee and demographic data for one agency was incorrectly excluded by the actuary when preparing the OPEB valuation.
- The allocation of the OPEB financial information to the participating agencies incorrectly included one agency that should have been excluded from the allocations.
- Two participating agencies were incorrectly excluded from the employer contributions schedule, and thus were not included in the allocation of the OPEB financial information.
- The counts of active and inactive participants were incorrectly calculated and reported by the actuary in the OPEB valuation report.
- The table used to illustrate the impact of the discount rate sensitivity on the OPEB liability was incorrectly prepared and reported by the actuary.
- Benefit payments to be recorded as deferred outflows of resources were understated by \$6.5 million.

- The employer and statewide disclosures and supplemental information did not include all required elements per GASB Statement No. 75.

Significant delays in preparing the financial information and required disclosures contributed to these errors. Human Resource Management relies heavily on the actuarial valuation to compile the required information. The existing contract with the actuary was not modified to include the scope of the new reporting requirements and deadlines. Additionally, Human Resource Management did not formally determine who was responsible for preparing the financial information and required disclosures, and did not establish internal deadlines to ensure all information was prepared in a timely manner.

Further contributing to the errors in the financial information is Human Resource Management's lack of a formal review process of the compiled information. The actuarial valuation report is not properly reviewed by Human Resource Management's staff prior to the preparation of the financial schedules and disclosures. A detailed review of the actuary report is necessary to ensure errors and omissions are identified in a timely manner, and to ensure that Human Resource Management agrees with the assumptions used by the actuary. We consider this to be a material weakness in internal control, as there is a reasonable possibility that a material misstatement of the financial information and required disclosures will not be prevented, detected or corrected on a timely basis.

Human Resource Management should consider modifying the existing contract with the actuary, or procure a new contract, specific to the requirements and deadlines for the annual GASB Statement No. 75 reporting. Additionally, the Health Benefits Services and Contracts and Finance service areas at Human Resource Management should work together to establish a formal review process for the actuary report, the financial information, and the required disclosures. The actuary report and disclosures both contain financial and program specific information that will require the coordination of these two service areas to properly review. Internal deadlines should also be established to allow adequate time to review the information. Finally, Human Resource Management should ensure that staff are adequately trained on the financial reporting requirements in order to properly consider, research, and apply the reporting requirements specific to GASB Statement No. 75 in future years.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-008: Reconcile Billing Records for the Line of Duty Act Program

Applicable to: Department of Human Resource Management

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

Human Resource Management does not reconcile the Line of Duty Act (LODA) billing records to the agency's benefits system. The benefits system is the source of record for all individuals eligible for LODA benefits and includes plan type, membership elections, and premium rates. Benefits received are based on the information within the benefit system; however, LODA billing records are keyed and updated outside of the benefits system. A reconciliation between the two records was not performed for the duration of the fiscal year.

Human Resource Management became responsible for the administration and billing of LODA health benefits starting in fiscal year 2018. Human Resource Management did not identify and address the need for a reconciliation between the LODA billing records and the benefits system. As a best practice, agencies should develop internal policies and procedures that reflect current operations, and agency management should document its approval of these policies and procedures. In addition, best practices indicate that an agency should document, review, and update policies and procedures regularly to ensure the documentation is clear, concise, and adequately address operational risk identified.

A lack of clearly documented policies and procedures increases the risk that reconciliations are not completed or completed inadequately. Inadequate reconciliation of the two records could result in improper billing for LODA benefits. Human Resource Management should develop and implement procedures for reconciling the LODA billing records to the benefits system. The reconciliation should ensure that total number of individuals billed and the monetary amount billed agrees to the benefits system.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-009: Strengthen Controls over Year-End Accrual Reporting

Applicable to: Department of Medical Assistance Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Material Weakness

Medical Assistance Services needs to strengthen controls over year-end accrual reporting information submitted to Accounts. Medical Assistance Services' accrued claims calculation contained

several errors that resulted in a material misstatement of the accrued claims payable and related federal receivable reported to Accounts for inclusion in the Commonwealth's financial statements. Specifically, the following errors were found:

- Staff incorrectly entered data into a spreadsheet resulting in a \$3.7 million understatement of the total claims payable liability. This error also impacted federal expenditures, general fund expenditures, federal receivables, and federal revenue.
- Staff incorrectly included prior year amounts in the pharmacy rebate forecast resulting in a \$6.1 million overstatement of the total claims payable liability. This error also impacted federal expenditures, general fund expenditures, federal receivables, and federal revenue.
- The Budget Division revised its accrual methodology and did not inform the Fiscal Division which resulted in a \$17.8 million understatement of the federal claims payable liability and a \$17.8 million overstatement of the general fund claims payable liability. This error also impacted federal expenditures, general fund expenditures, federal receivables, and federal revenue.
- Staff incorrectly entered data into a spreadsheet resulting in a \$1.4 million overstatement of the general fund claims payable liability. This error also impacted general fund expenditures.

Medical Assistance Services' accrued claims calculation has been prepared by different staff for the last three years, and both the Fiscal Division and the Budget Division lost significant resources in key positions during the time period when the financial information was prepared. The lack of communication between the Budget Division and the Fiscal Division on changes in the methodology also contributed to some of these errors. The errors listed above resulted in multiple revisions to the information which affects the efficiency of the process, both for Medical Assistance Services as well as Accounts.

There was one additional financial reporting issue related to a liability for federal Medicaid disallowances where the state will have to return money to the federal government. Medical Assistance Services incorrectly classified this material liability in terms of current and prior year activity and had to revise this information and submit corrected information to Accounts.

Policies and procedures over financial reporting information, as a best practice, should be detailed and thorough with a sufficient review process to prevent and detect potential errors or omissions. Also as a best practice, the Fiscal and Budget Divisions should collaborate to complete the year-end accrual information reported to Accounts for inclusion in the Commonwealth's financial statements.

Medical Assistance Services should review and strengthen their policies and procedures over the preparation of year-end financial reporting information for Accounts. These procedures should include a supervisory review to help detect and prevent errors and, ideally, eliminate the need for multiple revisions. As part of this process, the Budget Division and the Fiscal Division should collaborate as needed to ensure there is a common understanding of significant financial reporting policies and that

submitted information is accurate. Given the significance of Medical Assistance Services' financial activity, it is also important that they consult with Accounts on financial reporting issues that may be complex or unusual to ensure both agencies have a thorough understanding of the nature of the activity and agree on the correct financial reporting treatment.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-010: Improve Accounting and Financial Reporting Control Environment of Trust Accounting

Applicable to: Department of the Treasury

Prior Year Finding Number: 2017-008; 2016-007

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

In the prior year, we recommended that the Department of the Treasury (Treasury) continue its efforts to fully cross train key positions, consider restructuring responsibilities, and consider adding a position to the Trust Accounting section to ensure it maintains an adequate control environment throughout the year and ensure continuity of operations in the event of the loss of key staff. Treasury has continued its efforts, during the 2018 fiscal year, to address the issues noted in the previous audit. Treasury hired an additional assistant accounting manager and cross-trained staff in the completion of most of its processes. In addition, Treasury has been evaluating Trust Accounting's processes to determine where they could make changes to possibly improve the efficiency of its processes.

While Treasury has continued its efforts to address the issues noted in the previous audit, during the fiscal year 2018 audit we continued to note issues with the workload of several key positions within Trust Accounting resulting in staff having to prioritize their daily tasks and in some cases defer tasks such as reconciliation preparation and review, and financial statement review. In addition, several key positions continued to regularly work overtime to ensure continuity of operations. Further, Treasury did experience turnover in a Trust Accounting Assistant Manager position during fiscal year 2018.

Trust Accounting performs many critical and financially significant statewide operational accounting and reporting functions. Currently, a few highly qualified and experienced staff, who work overtime primarily during year-end, perform many of these functions. Further, Treasury has experienced regular turnover of staff within Trust Accounting that has made it difficult to ensure that the appropriate number of staff are available and trained for key functions.

We recognize that it takes time to build experience and resolve this issue and we acknowledge Treasury's significant efforts over the last few years towards addressing our concerns. We recommend that Treasury continue to evaluate and implement efficiencies and other improvements in Trust

Accounting processes. Treasury should ensure that the appropriate number of staff are available and trained for key functions to ensure continuity of operations in the event of the loss of key staff.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-011: Improve Financial Reporting of Unclaimed Property Activity

Applicable to: Department of the Treasury

Prior Year Finding Number: 2017-007

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

In the prior year, we noted multiple material misstatements in the financial statement submission template (template) Treasury's Unclaimed Property Division (Unclaimed Property) submitted to Accounts for inclusion in the Commonwealth's Comprehensive Annual Financial Report (CAFR). As a result, we recommended that Treasury consider creating a dedicated financial reporting resource to assist with all of its financial reporting functions throughout its various divisions, including Unclaimed Property operations staff. In addition, we recommended Unclaimed Property should continue its efforts to improve its process for developing and analyzing the long-term liability related to estimated future claims to be paid.

During the current year, we again noted deficiencies in the process that Unclaimed Property uses to compile the information for the template. We continued to note multiple misstatements in the template; however, they were not as significant as the prior year misstatements. We found misstatements related to classification of net position, typographical errors in amounts, the omission of activity, as well as other miscellaneous errors. Further, while Treasury spent a significant amount of time and made improvements modifying the analysis of the long-term liability related to estimated claims, we continue to note areas for improvement in this process including analysis of trends in the claims experience.

Unclaimed Property must present their financial statement template in accordance with the instructions provided by Accounts in the Comptroller's Directive as well as accounting principles generally accepted in the United States of America. Inaccurate compilation of financial statement amounts submitted to Accounts could materially misstate the amounts presented in the CAFR.

Unclaimed Property should continue its efforts to develop a sufficient process for evaluating the financial reporting implications of their operations; appropriately considering, researching, and applying accounting standards; and adequately reviewing the financial information communicated to Accounts through the template. Unclaimed Property should ensure staff have sufficient knowledge and training to prepare the template; continue to consider and conduct research of applicable accounting standards

to present their activity fairly for inclusion in the CAFR; and fully consider and analyze all areas of their operations that may have financial reporting implications. Furthermore, Unclaimed Property should continue to refine and improve its process for developing and analyzing the long-term liability related to estimated claims.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-012: Document Risk Management Procedures and Improve Quality of Data Provided to Actuary

Applicable to: Department of the Treasury

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

Treasury's Division of Risk Management (Risk Management) does not have documented procedures for the compilation of quality data for actuarial analysis. During our review of the data provided to the actuary, we found that Risk Management staff included erroneous information including duplicate transactions reported under different categories; incorrectly calculated recovery amounts; and financial transactions and activity occurring after fiscal year end. In addition, Risk Management staff did not provide complete historic data to the actuary.

During the year, Treasury experienced turnover of key personnel in the Risk Management division who were responsible for preparing the data for the actuary. This, coupled with insufficient documented policies and procedures related to the process for preparing the data for the actuary, contributed to the data discrepancies.

Governmental Accounting Standards Board (GASB) Concepts Statement Number 1 describes the basic characteristics of information for financial reporting. GASB defines the basic characteristics of effective financial reporting as understandability, reliability, relevance, timeliness, consistency, and comparability. Reliable information should be verifiable and faithfully represent what it purports to represent. Timeliness ensures that the data is relevant and available soon enough after the reported events to affect decisions. Consistency ensures that similar transactions are reported using the same reporting method. Comparability ensures that financial information can be properly evaluated across periods.

Annually, the actuary performs a valuation, using data provided by Treasury, of the various self-insured programs that Risk Management administers for use by state agencies and localities. Annually, the actuary proposes premium options to Treasury to charge state agencies and localities for participating in these programs. Treasury uses the actuarial valuation in determining the amount of the

claims liability that it submits to Accounts for reporting in the CAFR. Inaccurate data provided to the actuary may cause the claims liability amount recorded in the CAFR to be incorrect and could result in incorrect premiums being charged to the state agencies and localities participating in the insurance programs. For fiscal year 2018, Risk Management corrected the issues noted above prior to use of the data by the actuary for the actuarial valuation and premiums calculation.

Treasury should ensure it has properly documented policies and procedures to ensure data provided to its actuary is accurate and timely. This will alleviate the loss of institutional knowledge when key personnel leave the agency and provide a better internal control structure.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-013: Improve Controls over Financial Reporting

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

DBHDS did not accurately report contractual commitment amounts to Accounts for inclusion in the Commonwealth's CAFR. As a result, DBHDS understated other contractual commitments by approximately \$19.5 million and overstated construction contractual commitments by approximately \$3.9 million. Additionally, DBHDS lacks policies and procedures over the compiling of commitments.

Accounts Comptroller's Directive No. 1-18 establishes compliance guidelines and addresses financial reporting requirements for state agencies to provide information to Accounts for the preparation of the CAFR as required by the Code of Virginia. Accounts requires state agencies to submit information as prescribed in the Comptroller's Directives and individuals preparing and reviewing the submissions are required to certify the accuracy of the information provided to Accounts.

For fiscal year 2018, the Office of Budget Execution and Financial Reporting (Budget Execution) employed a new estimation process to determine other contractual commitment amounts. Using a list of active contracts, Budget Execution prorated the contract amount over the remaining life of the contract, which is a reasonable estimation process. The contract list, provided by Procurement and Administrative Services (Procurement), included both term and fixed price contracts; however, the relationship between the contract amount and term was not always clear. Budget Execution did not communicate with Procurement to verify its understanding of the contract amounts and terms provided before applying the estimation process, resulting in an overstatement of \$19.5 million.

For construction contracts, Budget Execution calculated commitments using DBHDS' new in-house capital project management system based on the contract value less payments through fiscal year

end. However, the in-house capital project management system only included payment data for fiscal year 2018. Budget Execution did not validate that the payments in the project management system included all life to date expenses, since the contract began in fiscal year 2014, resulting in an overstatement of commitments of \$4.1 million. In addition, Budget Execution did not include change order amounts as part of the contract value for another contract, resulting in an understatement of \$206,103.

Budget Execution should develop and implement policies and procedures for compiling other contractual and construction contractual commitments. Management should ensure the procedures provide personnel sufficient guidance on the purpose and importance of the information requested and direction regarding the support needed to prepare the submission, as well as adequate controls to prevent or detect and correct mistakes. In addition, Budget Execution should ensure they have a complete understanding of any data used in calculating commitments.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-014: Improve Bank Reconciliation Policies and Procedures

Applicable to: University of Virginia-Medical Center

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

The Medical Center should refine its bank reconciliation process and related cash procedures to address the following items noted during the fiscal year 2018 audit, including:

- The Medical Center does not have updated written procedures for current Medical Center processes related to bank reconciliations. Currently, there is a lack of documentation related to who should perform the various procedures, how often to perform the applicable procedures, and who should review the completed reconciliations. For all three reconciliations tested during the fiscal year 2018 audit (August 2017, November 2017, and June 2018), there was no evidence as to when the reconciliation was prepared, who prepared the reconciliation, and who reviewed the reconciliation. Proper written procedures help minimize process interruption in the event of an unexpected departure of a key employee.
- The Medical Center currently reconciles transactions on a daily basis, and a summary log is prepared monthly to show monthly bank activity. The current process is adequate to identify daily reconciling items; however, the Medical Center does not have a month-end process that shows a cumulative reconciliation between the general ledger and the bank statements. With no bank to general ledger reconciliation, there is no way to ensure that the Medical

Center is properly addressing past reconciling items, and no way to show that the general ledger balances reconcile to the Medical Center's bank accounts. For the reconciliations reviewed, there was no evidence in the month-end log that the Medical Center properly addressed reconciling items identified during the daily reconciliation process.

The University of Virginia Medical Center should develop policies and procedures to properly reflect current bank reconciliation processes in accordance with best practices. Additionally, developing a cumulative reconciliation will provide additional evidence that general ledger cash accounts reconcile to Medical Center bank accounts and that the Medical Center identifies and addresses reconciling items in a timely manner.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-015: Improve Revenue Recognition for Non-reimbursement Grants

Applicable to: University of Virginia-Academic Division

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

The Academic Division improperly recognized revenue related to non-reimbursable grants and contracts, which overstated unearned revenue and understated revenue in prior periods. Based on GASB Codification section 1600.103, resources resulting from exchange and exchange-like transactions should be recognized as revenue when an exchange takes place. Financial statement preparers should recognize revenue related to nonexchange transactions in accordance with GASB Codification N50, which requires a recipient to meet certain timing and eligibility criteria before recognizing revenue.

The Academic Division's accounting and financial reporting system includes automatic accounting rules that recognize revenue for expenditure-driven or reimbursement-based grants as the Academic Division posts expenses to the grants. However, the system treats other types of grants, where grantors provide resources through fixed payments or where the Academic Division receives funding on a per participant basis, in the same manner, resulting in a delay in the recognition of revenue. These grants do not require repayment of unused funds or include additional eligibility or timing criteria, which allows for recognition of the resources as revenue when received. Due to the improperly designed control within the accounting and financial reporting system, the Academic Division misstated the prior years' financial statements, resulting in the need to record a \$21.5 million increase to beginning net position and \$6.8 million increase in grants and contracts revenue for fiscal year 2018.

The Academic Division financial reporting team worked with the Office of Sponsored Programs to identify the extent of the issue and addressed the problem by creating a process to properly recognize

certain grant revenue in the financial statements. The Academic Division should formalize this process in its financial reporting policies and procedures to ensure proper accounting for the revenue generated by certain non-reimbursable grants during future fiscal years.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

REVENUE AND ACCOUNTS RECEIVABLE

2018-016: Enhance Review of Accounts Receivable for Financial Reporting

Applicable to: Department of Transportation

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Material Weakness

Transportation did not complete several aspects of its Accounts Receivable submission to Accounts correctly, which resulted in several material adjustments. During the audit, the Auditor of Public Accounts and Accounts identified the following misstatements in Transportation's Accounts Receivable submission:

- Transportation did not report a receivable balance for an outstanding loan with the Route 28 Transportation Improvement District of approximately \$73 million.
- Transportation did not report noncurrent loan receivables within the correct column of its Accounts Receivable submission to Accounts. This required a reclassification adjustment of approximately \$183 million.

While these submissions were subject to several levels of review, the reviewers did not identify these errors during the review process. This oversight was attributed to the operational complexities associated with the generation of accounts receivable at Transportation and the lack of updated policies in this area. By not correctly reporting this information in its financial statement submissions to Accounts, Transportation could inadvertently lead users of the financial statements to make faulty decisions about Transportation's operations.

Transportation should update its policies to ensure it covers all requirements communicated by Accounts and work with Accounts to obtain clarity where necessary. Additionally, Transportation should also consider having individuals, separate from its financial reporting function that are familiar with the accounts receivables generated by operations, perform a review of accounts receivable information before it is submitted to Accounts to aid in assuring that the results of operations are properly reflected in the CAFR.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-017: Continue Improving the Accounts Receivable Collection Process

Applicable to: Department of Medical Assistance Services

Prior Year Finding Number: 2017-084; 2016-080

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Medicaid Cluster - 93.775, 93.777, 93.778

Federal Award Number and Year: 1805VA5ADM, 1805VA5MAP - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 42 CFR §455.16(c)(3)

Known Questioned Costs: \$0

Medical Assistance Services' Fiscal Division needs to continue to improve their collection process for overpayments. Although improvements have been made in this area since our last audit, we found the following instances where the Fiscal Division did not follow policies and procedures for collecting overpayments identified by the various Program Integrity reviews.

- For two of seven (29%) overpayments identified by the Provider Review Unit, the invoicing letter was not sent to the provider in a timely manner.
- For 13 overpayments identified by the Recipient Audit Unit, nine (69%) final letters were not sent in a timely manner, and one final letter was not mailed at all. In addition, six of these cases were referred to collections several months late.
- For one of five (20%) overpayments identified by the Utilization Review Unit, the invoicing letter was not sent to the provider in a timely manner.

Medical Assistance Services, to comply with the Virginia Debt Collection Act, Code of Virginia §2.2-4800-4809, established procedures to pursue collection of overpayments from recipients and providers. These procedures specify timeframes in which overpayment notice letters and invoicing letters must be sent to recipients and providers. In addition, the Accounts Receivable Unit refers uncollectable overpayments to the Virginia Department of Taxation, the Office of the Attorney General, and the Commonwealth's collection agency within specified timeframes. By not following established procedures designed to meet Commonwealth requirements, Medical Assistance Services is potentially not collecting money owed from recipients and providers.

According to management, the Accounts Receivable Unit has been understaffed for several years, which has caused a backlog in this area. Fiscal year 2018 has been a transitional period for the Accounts Receivable Unit as they have focused on clearing the backlog of collections and streamlining operations.

Significant improvements have been made, but some issues remain. Additionally, the implementation of an automated overpayment processing function has been delayed due to a shift in agency priorities, and this has impacted the Unit's ability to completely resolve these issues. Medical Assistance Services should continue to strengthen collection processes and ensure they are performed timely and in accordance with policies and procedures.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-018: Improve the Billing Process

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

Social Services did not submit reimbursements for Medicaid administrative costs to Medical Assistance Services timely. We noted three months of the fiscal year where Social Services did not request a reimbursement request timely, with each request being delayed by several months. For example, the June 2018 request was not submitted to Medical Assistance Services until September 2018.

CAPP Manual Topic 20505 states that agencies should have systems in place to bill timely, and accounts should be billed when goods are provided or services rendered. Social Services' Policy 401-Federal Cash Management states that Medicaid reimbursements are to be completed and submitted to the respective agency on a monthly basis.

Due to turnover in the Cash Management Department of Social Services, billings to Medical Assistance Services were delayed. By not submitting invoices timely, Social Services cannot guarantee timely reimbursement from Medical Assistance Services. Additionally, by not requesting federal funds in a timely manner, Social Services relies upon state monies, which may result in budget shortages.

Social Services should enforce current policies relating to Medicaid billings to ensure reimbursements are submitted within the prescribed time frame. Additionally, Social Services should ensure that adequate succession planning measures are in place to mitigate the consequences of employee turnover.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-019: Ensure Consistent Recording of Receivables

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

During fiscal year 2018, Education paid off a Treasury loan that was used to cover Substance Abuse and Mental Health Services Administration (SAMHSA) grant payments that Education made to localities. The majority of the \$1.6 million Treasury loan was paid using federal funds that had been reimbursed to Education by the U.S. Department of Health and Human Services (HHS). However, approximately \$124,000 in special revenue was used to cover the remainder of the loan because HHS has yet to determine if the expenditures related to this amount are allowable. Because Education used special funds, which were not related to the grant, that fund must be reimbursed for the amount spent on the Treasury loan. Education improperly excluded this receivable due to the special fund for \$124,000 in Attachment 21 submission to Department of Accounts (Accounts).

The Comptroller’s Directive establishes compliance guidelines and addresses financial reporting requirements for state agencies to provide information to Accounts for the preparation of the Comprehensive Annual Financial Report (CAFR) as required by the Code of Virginia. According to the CAPP Manual Topic 20505, “for financial reporting purposes, a receivable must be reported when the underlying economic event occurs that results in a claim for amounts being owned to the Commonwealth.”

While management may be unaware of which entity will be paying the receivable or if the receivable will be uncollectable, Education still needs to record the receivable amount to ensure proper inclusion within the Commonwealth’s CAFR and the asset is controlled. If Education does not consistently practice the same process for receivables, then some receivables will not go through the same controls that Education uses to record, track, and determine collectability.

Management was not treating the transfer of the SAMHSA questioned costs of \$124,000 as a loan from the special revenue fund to the federal fund because they are unclear on SAMHSA’s next action with the amount. Education is unsure if they will get resolution from SAMHSA where they will be fully reimbursed for the \$124,000 or if Education will need to pursue refunds from the localities to whom they paid the money. Education has also made Accounts aware that, if HHS denies the expenses, it may not pursue a refund from localities and will absorb the cost.

Education must ensure that all known receivables, regardless of the source in which they are to be received from, are to be consistently recorded within the internal system to provide for proper reporting and control. Additionally, Education should report all receivables to Accounts as required.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

CAPITAL ASSETS AND LEASES

2018-020: Improve Financial Reporting of Infrastructure Assets with Proactive Policies and Procedures

Applicable to: Department of Transportation

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Material Weakness

Transportation does not have sufficiently detailed policies and procedures (policies) over the financial reporting of infrastructure assets. Documented policies do not always accurately reflect how Transportation's Fiscal Division (Fiscal) prepares the infrastructure amounts for the capital asset submission to Accounts for inclusion in the CAFR. Fiscal did not update policies until after year-end and submission preparation, bringing into question the operational effectiveness of policies documented after the fact. As a result, Transportation overstated net capital assets by \$81.1 million, as detailed below:

- Fiscal does not have policies to ensure that listings of new projects for annual review are complete and reasonable. Fiscal did not review all new projects for fiscal year 2018 because the listing of new projects was incomplete. The projects missing from the list were inappropriately included in infrastructure, resulting in a \$29.5 million overstatement of net asset balances.
- Infrastructure policy does not include a general review of projects with significant life to date expenditures to ensure projects are capitalizable and meet the requirements for infrastructure inclusion. Fiscal did not perform a high-level review of projects because the current policies do not include this type of review. As a result, Fiscal inappropriately capitalized three years of oversight expenditures for a high profile, bus rapid transit project that the Commonwealth does not own, overstating infrastructure by \$50.8 million.
- Infrastructure policy does not address access and change controls over the reporting category field used in the Commonwealth's accounting system to identify projects for, or exclusion from, capitalization to ensure the integrity and reliability of the data field. Other Transportation divisions can use the reporting category field for other purposes. Non-capitalizable reporting categories were removed from various projects without Fiscal's knowledge, resulting in the inclusion of \$597,000 of non-capitalizable project expenditures in infrastructure assets. In addition, Fiscal did not detect changes in reporting categories of

projects between fiscal years resulting in Fiscal overstating infrastructure assets by \$160,000 because projects changed from capitalizable to non-capitalizable. In both instances, if Fiscal had not detected the changes at the beginning of a project's life, the amount of inappropriately capitalized expenses could have grown significantly over the life of the project, potentially resulting in material misstatements. Since Fiscal only reviews the reporting category for new projects each year, the risk that the reporting category on a previously reviewed project could be changed without Fiscal's knowledge is high.

When the Commonwealth implemented Governmental Accounting Standards Board (GASB) Statement No. 34 in 2002, Transportation decided that the most efficient way to capitalize road infrastructure was to use programmatic funding because construction and maintenance programs were separate. This created a simple process for identifying infrastructure expenses for capitalization. Over the years, Transportation's programmatic funding gradually changed, leading to a blurred line between maintenance and capitalizable construction projects. Starting in fiscal year 2017, the General Assembly significantly changed Transportation's programmatic funding streams and their purpose, resulting in further complexities, as programs could have capitalizable maintenance projects, capitalizable construction projects, and expensed projects in the same program. Fiscal had to adapt its infrastructure capitalization policies to reflect the new programmatic coding. Fiscal began to use reporting categories to label each project for inclusion or exclusion from infrastructure. As a result, Fiscal has to perform a highly manual process to determine which projects to either include or exclude from work in process, based on the reporting categories, increasing significantly the risk of errors and omissions.

Fiscal relies on their experienced staff who understand the complex infrastructure capitalization process to determine the capitalization amount of road infrastructure each year, and as a result, did not see the necessity of updating policies before producing the submission. However, without these experienced staff or detailed policies, Fiscal may not be able to complete the capital asset submission that supports over \$28.3 billion in Commonwealth assets. In addition to the deficient areas described above that resulted in misstatements, the infrastructure policies are deficient in the following areas:

- Fiscal does not have a procedure to identify any accounting adjustments necessary to prior infrastructure asset amounts when a reporting category changes between years. This is critical because the reporting category applies to the expenses for the life of a project.
- Infrastructure policy does not adequately address the collaboration necessary between various Transportation departments for the gathering of information and data regarding infrastructure assets.
- Infrastructure policy does not include control procedures for validating queries and determining whether the data obtained from other departments is reasonable and meets the needs of Fiscal's reporting requirements.

The State Comptroller's annual Directive requires Transportation to report capital assets, including infrastructure, for inclusion in the CAFR. The Commonwealth Accounting Policies and Procedures Manual (CAPP Manual) 20905 requires each agency to develop its own internal policies that

are approved in writing by agency management. The agency's policies are to be up-to-date to reflect current operations. In addition, best practices indicate that an agency should document, review, and update policies regularly to ensure policies are clear, concise, and adequately address operational risks identified and to keep pace with programmatic changes instituted within the agency. CAPP Topic 30200, Asset Acquisition, requires agencies to implement internal control procedures to ensure that: all assets are recorded at their proper value, the method of valuation is properly documented, and that all assets are periodically reviewed to avoid material overstatement.

The process over reporting infrastructure assets has become so complex that making a mistake or not discovering an unauthorized change in just one data field in the Commonwealth's accounting system on one project is a significant risk and can have material effects on depreciable or non-depreciable assets. In the event key personnel turn over, Fiscal may not be able to produce the capital asset submission without detailed and sufficient policies. This could result in the Auditor of Public Accounts qualifying its opinion on the CAFR due to the magnitude of the Commonwealth's roadway infrastructure. If Fiscal does not properly review and validate queries used to generate the raw data for manipulation into the proper infrastructure classes; determine new projects; or review the reasonableness of data obtained from other divisions within Transportation, Fiscal risks materially misstating the Commonwealth's assets. The lack of adequate policies and misstatements discussed above constitutes a material weakness in the Fiscal Division operations of Transportation.

Fiscal should design, implement, and ensure the operational effectiveness of internal controls over the financial reporting of infrastructure assets so that the preparation of the capital asset submission to Accounts is accurate and reasonable. Considering all of the complexities involved in the infrastructure capitalization process, Fiscal should implement and document policies that appropriately reflect this complexity. Fiscal should proactively review and update the policies annually and provide for the possibility that key, experienced staff may terminate employment at any time. Fiscal should document and follow detailed desk procedures to accurately prepare the multiple distinct and complex infrastructure schedules to support the capital asset submission. Additionally, Fiscal should provide for adequate review of all data and information used to compile the capital asset submission, including review of prior project labeling to ensure capitalization is appropriate from year to year.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-021: Properly Classify Lease Renewals and Establish Policies for Renovations

Applicable to: Department of General Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

The Division of Real Estate Services (Real Estate Services) did not properly re-classify four leases that renewed in fiscal year 2017 in its real estate management system. This understated operating lease expenses by \$801,372 and understated the operating lease future obligations by \$3,026,002 for fiscal year 2018. When classifying another lease, Real Estate Services extended the remaining economic life of a renovated property past what appeared reasonable for the property's renovations. The leased property renovations would not have extended the economic life of the leased property past the original useful life.

The Commonwealth Accounting Policies and Procedures Manual (CAPP) Topic 31220 states that information in the lease accounting system, such as the fair market value, economic life, and other lease data, shall reflect the lease renewal term. Additionally, Real Estate Services has a policy outlining the capital lease test. The policy states that the capital lease test shall consider the proposed new term of the lease only. Prior term or length of time under a prior lease term is not considered. CAPP Manual Topic 30405 states that it is possible to add years to the useful life of a building; however, determining the increase in useful life is somewhat subjective. Agency personnel must review transactions on a case-by-case basis to determine the economic benefit received. Real Estate Services' policy assumes the total asset economic life is fifty years from the date of construction or major renovation for a typical office building.

Real Estate Services did not review the leases' renewals and did not always re-perform the capital lease test based on the renewal term. The inaccurate assessment of whether the renovation extends or restarts the economic life of the leased property occurred because Real Estate Services has an inadequate understanding and does not have a policy that addresses which types of major renovations extend the economic life of a leased property.

Real Estate Services should review leases when they are close to the lease end date and analyze the lease renewal term. Real Estate Services should perform the capital lease test in compliance with Real Estate Services' internal policies and procedures. Real Estate Services should create policies and procedures that would provide guidance for determining whether renovations performed increase the remaining economic life of a leased property. Real Estate Services should document support for the decision to extend or restart the remaining economic useful life.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-022: Improve Preparation Procedures for Attachment 11

Applicable to: Department of General Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

The Department of General Services' (General Services) Office of Fiscal Services (Fiscal Services) reported incorrect amounts in its internal service fund financial statement template (Attachment 11) submission for fiscal year 2018 to the Department of Accounts (Accounts). Fiscal Services incorrectly reported gross capital assets and accumulated depreciation for buildings by not removing \$10.5 million in assets related to an expired lease, overstating gross assets and accumulated depreciation by \$10.5 million. Additionally, Fiscal Services understated the fiscal year 2018 operating rental expense by \$850,961.

Fiscal Services used the incorrect report from the Commonwealth's lease accounting system to calculate gross assets and accumulated depreciation, which resulted in the error. CAPP Topic 70610 states the balance sheet report is the correct lease accounting system report to use when determining the gross asset and associated accumulated depreciation amounts as of fiscal year end. We informed Fiscal Services' controller in the prior year that Fiscal Services was using the incorrect report and indicated the guidance and correct report to use. Inaccurate reporting of capital assets and accumulated depreciation occurred again in the current year due to lack of communication and guidance between Fiscal Services' staff in preparing Attachment 11.

In addition, to separate fiscal year 2018 total lease payments into capital and operating payments, Fiscal Services deducted estimated capital lease payments from the Commonwealth's lease accounting system from actual expenditures, rather than using the actual capital lease payments from their financial accounting system to calculate the amount for operating lease payments. Basic accounting principles dictate that in calculating actual expenses, actual expense data should be used to support the expenses of both capital and operating leases. Reporting incorrect amounts to Accounts in Attachment 11 could lead to inaccurate financial information reported in the Commonwealth's Comprehensive Annual Financial Report (CAFR).

Fiscal Services should follow the guidance provided in the CAPP manual and complete Attachment 11 accurately. Fiscal Services management should communicate with the Fiscal Services staff throughout the financial reporting process to ensure all staff are aware of the correct reporting process, use the proper reports, and use actual expense data to calculate operating and capital lease expenses. Fiscal Services should make certain that the calculation for the fiscal year operating rental expense is accurate prior to submitting to Accounts for use in the CAFR.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

MULTIPLE INFORMATION SYSTEM SECURITY CONTROL FAMILIES

2018-023: Improve IT Risk Management and Disaster Recovery Planning

Applicable to: Department of Human Resource Management

Prior Year Finding Number: 2017-034; 2016-054; 2015-041

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Information System Security Control Family: Configuration Management, Risk Assessment

Human Resource Management continues to lack certain components of an established IT risk management and disaster recovery planning (DRP) process in accordance with the Security Standard. Our review of Human Resource Management's IT risk management and DRP controls identified the following weaknesses.

- Human Resource Management continues to lack IT system baseline configurations for any of its mission essential and sensitive systems. Baseline configurations serve as a basis for system builds, changes to information systems, as well as information about specific system components that reflect the current enterprise architecture. By not having baseline configurations in place for its mission essential and sensitive systems Human Resource Management increases the risk that systems will not be restored in a timely manner in the event of an outage (Security Standard Section: CM-2 Baseline Configuration).
- Human Resource Management does not perform self-assessments of risk assessments and prepare a report of the self-assessment results, as required in the Security Standard (Security Standard Section: 6.2 Risk Assessment Requirements). By not performing self-assessments, Human Resource Management cannot verify the continued validity of the risk assessments and IT security threats that may impact Human Resource Management's ability to carry out mission essential functions. Human Resource Management does not perform self-assessments due to a lack of IT resources.

Human Resource Management has made progress since our last audit to remediate certain security weaknesses previously reported. However, the weaknesses identified above continue to persist due to limited and constrained IT and security resources. Human Resource Management should evaluate its current IT and security staffing levels, and allocate the resources necessary to implement and enforce the requirements in the Security Standard for IT risk management.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-024: Improve Application and Database Controls over the Enterprise Resource Planning System

Applicable to: Virginia Lottery

Prior Year Finding Number: 2017-036; 2016-010

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Information System Security Control Family: Access Control, Information Security Roles and Responsibilities

During the fiscal year 2016 audit, we identified multiple internal control weaknesses as a result of the implementation of the Virginia Lottery's (Lottery) enterprise resource planning system.

We obtained a status update from Lottery on the corrective actions related to these weaknesses. As of our report date, the Lottery had implemented corrective actions with respect to this previously reported finding, but had not completely implemented all corrective actions. Lottery began updating and implementing new procedures during fiscal year 2017 and plans to fully implement all corrective actions during fiscal year 2019.

Lottery should continue to dedicate the necessary resources to implement the controls that will align Lottery's operations with industry best practices and the Commonwealth's Information Security Standard, SEC 501 (Security Standard). We will review the implementation of management's completed corrective actions during our next audit.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-025: Improve IT Risk Management and Contingency Planning Program

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Information System Security Control Family: Contingency Planning, Risk Assessment

CFDA Title and CFDA #: TANF Cluster – 93.558, 93.714

Federal Award Number and Year: 1801VATANF - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Other - 2 CFR §200.303(e)

Known Questioned Costs: \$0

Social Services does not maintain effective Risk Management and Contingency Planning documentation. Specifically, Social Services does not have IT System and Data Sensitivity Classifications for five systems (13%), IT System Risk Assessments (RA) for three systems (8%), and System Security Plans (SSP) for two systems (5%) out of a total of 40 sensitive systems. Additionally, Social Services does not annually test its COOP to verify it can obtain and use IT resources to support contingency procedures.

The Security Standard, Section 4, requires Social Services classify the IT system as sensitive if any type of data handled by the system is sensitive based on confidentiality, integrity, or availability. The Security Standard, Section 6.2, also requires the agency to conduct and document a RA for each IT system classified as sensitive at least once every three years. Additionally, the Security Standard, Section PL-2-COV, requires Social Services document a SSP for the IT system. Furthermore, the Security Standard, Section CP-4, requires Social Services test the COOP on an annual basis or more frequently to determine the effectiveness of the plan and the organizational readiness to execute the plan.

Without documenting risk management information for all of its sensitive systems, Social Services cannot accurately determine which information security controls to implement. This may result in Social Services spending too many resources on insignificant controls or not having sufficient controls to protect sensitive information. Additionally, the absence of regular COOP tests may result in Social Services not having the IT resources necessary to perform its essential business functions or recover its IT systems in a timely manner in the event of an emergency or disaster. This may result in unnecessary delays when attempting to restore IT services to the agency's essential business functions.

Social Services experienced delays in finalizing the remaining IT risk management documentation and performing the COOP test due to competing priorities within the IT environment. The agency had deadlines to address Medicaid expansion and resolve issues from an Internal Revenue Service review.

Social Services should dedicate the necessary resources to complete Risk Management documentation for its sensitive systems and perform a COOP test that verifies the agency has the necessary IT resources to support their continuity management program. Doing this will help to ensure the confidentiality, integrity, and availability of the agency's sensitive systems and mission essential functions.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-026: Improve Web Application Security

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Information System Security Control Family: Audit and Accountability, System and Communications Protection, Risk Assessment, System and Information Integrity

CFDA Title and CFDA #: WIC Special Supplemental Nutrition Program for Women, Infants, and Children - 10. 557

Federal Award Number and Year: 171VA707W1003 - 2017

Name of Federal Agency: U. S. Department of Agriculture

Type of Compliance Requirement - Criteria: Other - 2 CFR §200.303(a)

Known Questioned Costs: \$0

Health does not secure one of their sensitive systems with some of the minimum security controls required by the Security Standard and industry best practices. We identified four weaknesses and communicated them to management in a separate document marked FOIAE under §2.2-3705.2 of the Code of Virginia due to them containing descriptions of security mechanisms.

The Security Standard requires agencies to implement certain controls that reduce unnecessary risk to data confidentiality, integrity, and availability in systems processing or storing sensitive information. By not meeting the minimum requirements in the Security Standard, Health cannot ensure the confidentiality, integrity, and availability of data within its systems.

Health should dedicate the necessary resources to implement the controls discussed in the communication marked FOIA Exempt in accordance with the Security Standard and best practices in a timely manner.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-027: Improve Application Security

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Information System Security Control Family: Access Control, Configuration Management, Audit and Accountability, Risk Assessment

DBHDS is not meeting some of the minimum requirements in the Security Standard for a sensitive application. DBHDS uses the application for wage employees, such as nurses and clinical staff, at the agency's fourteen facilities. The application is the originating system for wage employee hours and interfaces with the Commonwealth's payroll system. During fiscal year 2018, DBHDS had wage payroll totaling over \$12 million making the integrity and availability of the application critical to the agency. The following weaknesses exist for the application:

- DBHDS only has one central administrator that manages and maintains the application. Each facility has an administrator to handle small issues at their facility; however, the one central administrator at the Central Office is the only one responsible for tasks such as reviewing audit reports, setting up and configuring pay rules, granting and modifying administrator access for the facilities, and monitoring system performance. The Security Standard, Section AC-2-COV, requires DBHDS to have at least two individuals with administrator accounts to each IT system to provide continuity of operations. By having one administrator, DBHDS increases the risk of disruptions to the wage payroll process at the facilities if the administrator leaves the agency.
- DBHDS does not have procedures to support the day-to-day operations of the application. Since there is only one central administrator, the lack of procedures increases the risk of potential disruptions to the wage payroll process at the fourteen facilities. Specifically DBHDS lacks procedures for the application in the following areas:
 - **Procedures to support the baseline software configuration** – The Security Standard, Section CM-2-COV, requires DBHDS to identify, document, and apply more restrictive security configurations for sensitive IT systems. If the application has an outage and DBHDS needs to reestablish the application, the baseline software configuration and procedures will provide the minimum software requirements to reconstruct the system. The documentation will include items such as specific settings and configurations for DBHDS' instance of the application, minimum version and patch levels, and the specific installation guide to use. By not having this documentation and procedures, DBHDS increases the risk they will not recover the application timely and cause disruptions to the wage payroll process for the fourteen facilities.

- **Procedures to facilitate system events monitoring** – The Security Standard, Section AU-1, requires DBHDS to develop procedures to facilitate the implementation of the audit and accountability policy and associated controls. The central administrator currently runs multiple audit reports and monitors system performance for the application, but there are not any procedures for the process. Not having procedures for monitoring system events could cause disruptions to the availability of the application if the administrator is unavailable.
- **Procedures to manage access control and account management** – The Security Standard, Section AC-1, requires DBHDS to implement procedures to facilitate the implementation of the access control policy and associated access controls. In addition, the Security Standard, Section AC-2, requires DBHDS to implement various account management processes such as establishing groups and role membership, and creating, modifying, and removing accounts in accordance with the agency’s access control policy. By not having procedures that detail the access control and account management processes for the application, the agency could experience disruptions if the administrator is unavailable.
- DBHDS did not update the Risk Assessment after the application went through a recent upgrade to the software and servers. The Security Standard, Section RA-3, requires DBHDS to update the risk assessment on an annual basis or whenever there are significant changes to the information system or environment. Without completing new risk assessments when a system undergoes a significant modification, DBHDS may not identify risks to the system and implement the necessary mitigating controls.

The primary contributing factor to these security weaknesses is the lack of resources dedicated to administer the application. The central administrator is aware of the necessity to develop and document procedures for continuity of operations; however, the administrator’s current workload makes it difficult to support the application and develop and document procedures. The IT security group is working on updating the risk assessment and expects to complete it by December 2018.

DBHDS should hire or assign an individual to be a backup to the central administrator. The agency should also dedicate the necessary resources to develop and document procedures to support the application. In addition, DBHDS should update the risk assessment to ensure sufficient mitigating controls are in place. Doing this will help to ensure DBHDS maintains the confidentiality, integrity, and availability of their mission critical and sensitive systems.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-028: Improve Firewall Management

Applicable to: Virginia Employment Commission

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Information System Security Control Family: System and Information Integrity, Configuration Management, Risk Assessment

The Commission does not manage the enterprise firewall protecting the internal secure network in accordance with the Security Standard. The firewall is a key control to identify and block unauthorized traffic attempting to enter the internal secure network.

We have communicated the details of the control weaknesses to management in a separate document marked FOIAE under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls.

The Commission should improve the controls discussed in the communication marked FOIAE to meet, at a minimum, the requirements in the Security Standard. If deviations from the Security Standard are necessary, the Commission should document reasons and compensating controls in place for those deviations.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-029: Improve Database Security

Applicable to: University of Virginia-Academic Division

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Information System Security Control Family: Access Control, Configuration Management

The Academic Division does not implement some required controls to protect the database management system (database) platform that supports the student record keeping and billing system. The Academic Division Security Standard, and industry best practices, such as the Center for Internet Security's Benchmark (CIS Benchmark), prescribe several required and recommended security controls to safeguard systems that contain or process sensitive data.

We identified fourteen controls that the Academic Division does not implement that are generally related to access and baseline configuration management. We communicated these specific

control weaknesses to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms.

Not meeting the minimum requirements in the Academic Division Security Standard and aligning the database's settings and configurations with industry best practices may reduce the effectiveness of the Academic Division's objective to protect data within the database.

The Academic Division should address the risks present in the database and develop a database hardening process to ensure configurations and controls align with the Academic Division Security Standard and industry best practices. Implementing these processes and controls will help maintain the confidentiality, integrity, and availability of Academic Division data and meet the requirements defined in the Academic Division Security Standard.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-030: Improve Wireless Local Area Network Security

Applicable to: University of Virginia-Medical Center

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Information System Security Control Family: System and Information Integrity, System and Communications Protection, Identification and Authentication, Access Control, Configuration Management

The Medical Center does not secure the agency's wireless local area network (WLAN) with some of the minimum security controls required by the Medical Center Security Standard. The Medical Center manages and maintains its own wireless network and relies on the WLAN to provide various levels of access to protected resources.

We identified controls that the Medical Center does not implement that are generally related to patch management, authentication, transmission confidentiality and integrity, and access control. We communicated these specific control weaknesses to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms.

A lack of sufficient policies, procedures, and hardening guidelines contributes to the weaknesses identified above. Baseline security configurations help to ensure that organizations appropriately configure systems according to established technical and security policies and procedures, as well as the

Medical Center Security Standard. The Medical Center Security Standard, section CM-2, requires documented baselines for information system components. Without an established baseline configuration, the Medical Center increases the risk that they will not implement minimum-security requirements to protect sensitive data they transmit on the wireless network.

The Medical Center should review, analyze, and document the settings and configurations to manage their WLAN. The Medical Center should also ensure that the wireless configurations and setting for all devices supporting the WLAN meet the requirements in the Medical Center Security Standard and align with best practices, such as the CIS Benchmark. Finally, the Medical Center should apply the settings and configurations to protect the confidentiality, integrity, and availability of mission critical and sensitive data.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

ACCESS CONTROL

2018-031: Strengthen Access Controls

Applicable to: Department of Taxation

Prior Year Finding Number: 2017-018

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Taxation has made progress in addressing the weakness communicated in our prior year audit report related to strengthening access controls in their financial accounting and reporting system; however, Taxation's corrective action remains ongoing as it relates to segregation of duties issues. As of June 2018, Taxation's Office of Technology (Technology) has identified access functions that create segregation of duties issues. Technology also developed a process to ensure additional segregation of duties issues are identified if management assigns new access functions to security roles.

Agency management personnel performed a systems role access certification in May 2018 for the financial accounting and reporting system and a system access recertification for all applications in July 2018. Technology plans to use the results of the segregation of duties analysis, to determine whether Taxation's management has adequately considered access controls when recertifying systems access. Technology will meet with members of management who recertified any of the identified access functions that create segregation of duties issues to discuss the need for the conflicting functions. The estimated completion date for this corrective action was December 2018. The fiscal year 2019 audit will include an evaluation of Taxation's corrective action and determine whether adequate controls over segregation of duties are in place. Taxation also continues to have access roles that violate the concept of least privilege. This issue is further discussed in the finding entitled "Improve Controls over Role

Access” within the section titled “Internal Control and Compliance Findings and Recommendations.” In the interim, Tax continues to rely on various compensating controls to ensure adequacy of access controls.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-032: Continue to Improve Service Account Management

Applicable to: Department of Taxation

Prior Year Finding Number: 2017-019

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Taxation addressed all but one of the items from the prior year management recommendation titled, “Improve Service Account Management,” and is making progress in addressing the remaining item. In general, the remaining item relates to the documentation of production service accounts.

We communicated the details of this control weakness to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms.

Taxation’s Information Security Program, Section 8.1 Access Control, requires documentation of production service accounts; however, due to resource prioritization, Taxation has not yet addressed this issue. Taxation should continue its plan, as resources become available, to document the production service accounts.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-033: Improve Controls over Workgroups

Applicable to: Department of Taxation

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

As of October 2018, Taxation's Office of Technology (Technology) had not performed a certification of employees' access to workgroups. The Security Standard, Section 8.1 AC-6, requires an organization employ the principle of least privilege when granting access. The lack of a review over employee workgroup access resulted in the following:

- Four out of 18 users tested had access to critical workgroups that were not necessary for the user to fulfill their job duties; and
- two out of ten users tested had unnecessary access to supervisor workgroups.

Additionally, workgroup tables were not joined using common fields, thus creating obsolete records. The accuracy of the financial accounting and reporting system's access requires the proper set up and management of workgroups.

Workgroups are collections of worklists that enable users to review, approve, complete, correct or add details to information in the financial accounting and reporting system. Since Technology devoted significant resources to reorganizing other aspects of financial accounting and reporting system's security, workgroups have not been the primary focus. While Taxation established a process to perform this certification, it has yet to be implemented.

Technology should improve controls over workgroups by enhancing documentation over workgroups and implementing a review over employee workgroup access.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-034: Improve the Effectiveness of the Access Termination Process

Applicable to: Department of Taxation

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Technology did not remove access timely for two out of nine terminated employees tested. In addition, three out of nine terminated individuals tested continued to have access after the access management system's removal process was complete. Although Taxation has various compensating controls in place, the Security Standard, Section 8.1 AC-2, requires an organization to remove terminated or transferred users.

Taxation implemented the access management system in early fiscal year 2017 to manage access to Taxation's information systems, as well as building access, email access and other related access points. The "leaver workflow process" initiates when an employee's manager enters the employee's termination date; this begins the process to remove all of the employee's access to agency applications. Because the access management system cannot automatically update access for all of Taxation's applications, the leaver workflow process may require some manual intervention to remove system access for certain applications. In these situations, the leaver workflow process notifies the responsible access manager that he or she needs to terminate access directly in the application. The leaver workflow process stops until the individual confirms that he or she terminated the access.

The untimely access terminations resulted from a delayed leaver workflow process while the access management system waited on the access manager to manually revoke access directly in the application. The active access that remained for terminated employees was a result of the access manager not being adequately trained to identify instances where manual access removal was required. Both the access management system's ability to terminate the unnecessary access and access managers' effectiveness in manually removing access (when necessary) drive the success of Taxation's termination process as a whole.

Technology should evaluate the termination process and determine how to improve the process to ensure access for terminated users is revoked properly and timely. In addition, all access managers involved in managing the leaver workflow process should ensure they understand their respective roles and responsibilities, as well as the importance of promptly and effectively terminating access in the applications.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-035: Improve Controls over Role Access

Applicable to: Department of Taxation

Prior Year Finding Number: 2017-018

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Taxation's management and Technology did not properly restrict the access granted within security roles in their financial accounting and reporting system based on the principle of least privilege. Although Taxation has various compensating controls in place, we found eight out of 35 security roles provided access to critical access functions in excess of the job duties of the employees assigned to these roles. Because of this, employees had unnecessary critical access in the financial accounting and reporting system.

Management did not take proper care when certifying the access granted to employees through security roles. Some managers stated they did not notice the unnecessary access when certifying access in May 2018. Other managers stated the removal of unnecessary access functions in the past also removed access to necessary functions; therefore, they were hesitant to remove access in fear of employees not being able to perform their job duties.

The Security Standard, Section 8.1 AC-6, requires an organization employ the principle of least privilege when granting access to ensure users only have access that is necessary to accomplish their assigned tasks. Management should strongly consider least privilege when certifying the access granted to employees through security roles to ensure employees have the least amount of access necessary to perform their job duties. Additionally, Technology should ensure proper setup of the access functions to ensure they grant only the stated privileges in the financial accounting and reporting system.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-036: Improve Timely Removal of Critical System Access

Applicable to: Department of Health

Prior Year Finding Number: 2017-024; 2016-020; 2015-026; 2014-038

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Individual department supervisors do not have adequate controls in place to ensure employee separation forms (HR-14 forms) are transmitted to the Office of Human Resources (OHR) to ensure timely removal of system access. Policies and procedures require supervisors to complete the form and submit it to OHR prior to or immediately upon employee termination and OHR is to complete

termination requirements within three days of receipt. We found the following deficiencies in the payroll and human resources processes:

- Payroll system access was removed four to 47 days late for six out of 11 (55%) employees;
- Benefits system access was removed eight to 52 days late for three out of nine (34%) employees; and
- Network access was removed five to 11 days late for nine out of 38 (24%) employees.

The Security Standard, Section 09.1 AC-2 (h), requires notifying account managers when information system users are terminated, transferred, or information system usage or need-to-know changes. In addition, Security Standard, Section 09.1 AC-2-COV (2.f), states that each agency shall promptly remove access when no longer required. Health internal policies also state the HR-14 should be processed within three business days of receipt by OHR.

Terminated employees who still have network access may be able to access other critical programs since it acts as the gateway to all the agency's systems. Untimely removal of access to payroll and benefits systems increases the risk that employees will use their inappropriate access to make changes to payroll related items. These weaknesses elevate the risk for malicious activity to occur within Health.

There are a number of factors contributing to this issue. When an employee terminates it is the responsibility of the work unit to advise OHR of the departure. Health employs over 6,000 employees and had over 500 separations during fiscal year 2018, and due to Health's decentralized nature, notification does not always happen timely. In addition, OHR does not have oversight authority to monitor this process and; therefore, cannot confirm that supervisors are adhering to the policy. The following specific instances contributed to the untimely removal of system access for terminated employees:

- Individual work units did not properly complete the HR-14 for two of 38 (5%) terminated employees;
- Individual work units did not submit the HR-14 timely to OHR for 27 of 38 (71%) terminated employees;
- Administrative offices (OIM, Office of Risk Communication and Education, OPGS, Office of Environmental Health Services, and Family Health) did not properly complete the HR-14 for seven of 38 (18%) terminated employees; and
- OHR did not process the HR-14 timely for four of 38 (11%) terminated employees.

This issue has continued over several years, and timely completion and submission of the HR-14 seems to be an underlying cause for untimely access removal. Due to their critical role in the termination process, OHR management should review and update the process surrounding the completion and

routing of the HR-14. This update should include adoption of more stringent requirements for individual department supervisors to ensure timely completion and routing to OHR.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-037: Perform Financial System Access Reviews

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

Health does not review access to its internal accounting system monthly as required by their policies and procedures. Individual costs centers and departments are required to review accounting system access for reasonableness on a monthly basis and certify this through Health's security portal; however, some local agencies and departments are not performing this access certification and systems security staff are not performing any follow-ups. One of eight costs centers (12%) did not complete the required system access review.

Health's procedures require that each cost center and department certify user account and access information through the Information Security Portal no later than the 10th of the following month. Health is a decentralized agency, which makes periodic access reviews essential to help the agency ensure all individuals with access are reasonable and necessary. Insufficient access management increases the risk of unauthorized access to the accounting system, which could allow for improper transactions and unreasonable access to agency data.

While Health has updated and automated the procedures for access reviews to make the review process more efficient, the procedures do not include a process for ensuring review completion. Health should update their procedures to include follow up with delinquent cost centers and departments.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-038: Improve Access Controls over the Internal Accounting System

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

DBHDS does not have current written policies and procedures over access to its internal accounting and financial reporting system. The most recent policies and procedures, which are from 2006, are outdated and do not reflect changes that were implemented during the system upgrades that occurred during 2011 and 2015. Further, DBHDS did not follow their formal, internal processes to monitor access periodically to the internal accounting and financial reporting system for all regions and facilities. Specifically, we found the following issues with user access to the internal accounting and financial reporting system:

- Eight out of 25 (32%) users tested had access that was not properly approved by the employee's supervisor or approving officer prior to the access effective date.
- Four out of 25 (16%) users tested had access to the internal accounting and financial reporting system that did not agree with the access level on the user access form. Two of those users no longer needed that access level and had access that was not consistent with their job duties.
- One out of three (33%) terminated users tested had access that was not removed within 24 business hours. Removal for this user took over 21 days.

Throughout the year, monitoring activities over user access to the internal accounting and financial reporting system occurred only at a few regions and facilities. Monitoring did not include a review of all critical user access roles and users who may have terminated during the year. Additionally, personnel from the Information Security Office performed monitoring activities over user access once we requested user listings from the internal accounting and financial reporting system, confusing and delaying the audit process.

The Security Standard, Section AC-2-COV 2e and f, requires notification of terminations, transfers of employees, and contractors and prompt removal of access when no longer needed. Security Standard, Section AC-6, requires granting access based on the principle of least privilege and only authorizing user access, which is necessary to accomplish tasks in accordance with organizational missions and business functions. Furthermore, Part 7 of Section AC-6 requires the performance of an annual review of access to validate that the need for such access still exists.

Not ensuring that system users have and retain appropriate access to the internal accounting and financial reporting system increases the risk of unauthorized individuals inappropriately entering or approving transactions and could affect the integrity of DBHDS transactions in the internal and Commonwealth's accounting and financial reporting systems. Due to an increased workload from the

upgrade of the internal accounting system and the implementation of the Commonwealth's new accounting and financial reporting system in 2016, personnel did not update internal policies and procedures over the internal accounting and financial reporting system. When upgrading the internal accounting system, DBHDS migrated all user access to the new version, but did not create the new access forms until after conversion. Personnel in the Information Security Office did not understand the purpose and timing of when to perform monitoring activities, incorrectly assuming it was part of the audit process. In addition, DBHDS has not provided proper training to its facility managers and regional security administrators on how to assign, change, and remove user access.

Management should establish and implement proper policies, procedures, and controls over access to the internal accounting and financial reporting system. Management should ensure that monitoring activities take place over all critical user access at all regions and facilities. Management should ensure that monitoring of access to the internal accounting and financial reporting system does not occur during the external audit process. Furthermore, management should provide proper training to facility managers and regional security administrators.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-039: Develop and Implement Compliant Application Access Management Procedures

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The 14 facilities within DBHDS have application access management procedures that do not meet the requirements in the DBHDS Account Management Policy. The DBHDS Information Security Office issued the Account Management Policy to provide the facilities with a baseline of minimum requirements to help ensure compliance with the Security Standard. Access management procedures that meet the minimum requirements in the Security Standard are critical to protect the facilities sensitive systems that contain HIPAA data, social security numbers, and PHI data. As a result, none of the facilities' access management procedures comply with the Security Standard in regards to access management. In addition, we found several issues with access to the internal accounting system as noted in the finding, "Improve Access Controls over the Internal Accounting System."

Security Standard, Section AC-1, requires an organization to develop, document, and disseminate procedures to facilitate the implementation of the access control policy and associated access controls. For DBHDS, the system owners at the facilities are responsible for developing application access management procedures that align with the requirements in the Account Management Policy. Not

having adequate access control policies and procedures increases the risk that individuals will have inappropriate access and can potentially process unauthorized transactions.

The system owners at each facility should engage the Information Security Office to create application access management procedures. The Information Security Office should work with the individual facilities to set reasonable deadlines and monitor their progress to ensure their application access management procedures meet the minimum requirements in the Account Management Policy and the Security Standard.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-040: Remove Access to the Claims Processing System in a Timely Manner

Applicable to: Department of Medical Assistance Services

Prior Year Finding Number: 2017-016

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Medicaid Cluster - 93.775, 93.777, 93.778

Federal Award Number and Year: 1805VA5ADM, 1805VA5MAP - 2018

Name of Federal Agency: U. S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Other - 2 CFR §200.303(a)

Known Questioned Costs: \$0

Medical Assistance Services did not remove access to the claims processing system timely for individuals who no longer needed access. Specifically, six of eight employees tested did not have their system access disabled within 24 business hours of separation. Additionally, we identified three other employees whose access was not removed within 24 business hours. The nine employees in question retained their system access between three and 72 days after separation.

Medical Assistance Services' IT Access Control AC-1 Policy Section A11(b)(i), requires that "all user accounts must be disabled immediately upon separation or within 24 business hours upon receipt by the Office of Compliance and Security." In addition, the Security Standard, Section 8.13, states an organization must disable information system access within 24 hours of employee separation and terminate any authenticators or credentials associated with the individual. Not timely disabling access to a web based mission critical system threatens the data integrity of the system. If separated employees retain access to the claims processing system, users are potentially able to view, copy, and edit sensitive information.

Medical Assistance Services' Office of Compliance and Security (Compliance and Security) is not suspending separated employees' access in a timely manner due to ineffective and untimely

communication with Medical Assistance Services' Human Resources Division. Additionally, disabling access to the claims processing system requires input from multiple employees within Compliance and Security. When combined with the communication issues noted above, the manual nature of the process often prevents timely removal of separated users.

Compliance and Security and the Human Resources Division should establish effective, regular communication to report staff changes to those individuals responsible for managing system access. In addition, Compliance and Security should ensure compliance with its Access Control Policy and the Security Standard by removing users' access as required.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-041: Improve Information System Access Controls

Applicable to: Department of the Treasury

Prior Year Finding Number: 2017-026

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

In the prior year, we recommended that Unclaimed Property strengthen access controls to two of its information systems used to administer unclaimed property to ensure access privileges are adequately defined and documented, are assigned based on the principle of least privilege, and ensure proper segregation of duties. During fiscal year 2018, Unclaimed Property corrected access issues related to one of the two systems. For the remaining system, Unclaimed Property has started, but not yet completed, documentation of access privileges and internal control processes. In addition, Unclaimed Property implemented a detective control; however, the initially implemented detective control did not fully alleviate the segregation of duties concerns. Unclaimed Property made additional improvements to its detective control subsequent to our review, which will be tested during the fiscal year 2019 audit.

The Commonwealth's Information Security Standard SEC 501 (Security Standard), Section 8.1 AC-6, requires that Unclaimed Property employ the principle of least privilege when granting access. Additionally, the Security Standard, Section 8.1 AC-5 parts a through c, require that Unclaimed Property define and assign system access to support segregation of duties. Segregation of duties and access assigned based on the principle of least privilege reduces the risk of fraud and errors.

Unclaimed Property should continue its efforts to adequately document access privilege descriptions. In addition, they should document their policies and procedures for all processes including, but not limited to, ensuring segregation of duties exist for claim payments and for conducting periodic access reviews to ensure system access is appropriate. Finally, Unclaimed Property should consider

business needs as well as employees' overall access when performing periodic access reviews and maintain adequate documentation supporting access privileges assigned.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-042: Remove Separated Employees' Access to Critical Systems in a Timely Manner

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: TANF Cluster - 93.558, 93.714

Federal Award Number and Year: 1801VATANF - 2018

Name of Federal Agency: U. S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Other - 2 CFR §200.303(a)

Known Questioned Costs: \$0

Social Services did not remove employee access from critical systems in a timely manner for certain separated employees. We reviewed Social Services' listing of 154 employees that separated during fiscal year 2018 and found six instances, across three critical systems, of Social Services not promptly removing an employee's access after their separation.

The Security Standard, Section AC-2-COV (2.f), requires each agency to promptly remove access when no longer required. In addition, CAPP Manual Topic 10305 related to internal controls requires agencies to retest their key controls to ensure that they are still working for all significant fiscal processes that have not changed since the prior year.

Without the prompt removal of separated employee access, there is an increased risk of critical or sensitive data being improperly manipulated or unauthorized transactions occurring. Potential unauthorized access threatens the data integrity of the system as these users could view, copy, and edit sensitive information.

While management has an established process for removing employees as they separate from Social Services, management does not periodically compare its listing of separated employees to its access listings for critical systems. Social Services' management should develop a process for monitoring its access removal control to ensure that access is removed timely when an employee terminates.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-043: Ensure Timely Notification of Terminations and Transfers

Applicable to: Department of Motor Vehicles

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Motor Vehicles did not remove access to various agency and statewide systems in a timely manner for employees who either had separated from the agency or changed job responsibilities. We noted untimely removal of employee access for each of the four systems we tested. Of the 70 employees we tested for proper access, Motor Vehicles needed to remove access for 11 employees during the year. Of the 11 employees who needed their access removed, Motor Vehicles did not remove the access timely for four employees. Of the four employees with untimely removal of access, one continued to have access to the agency's financial system over five months after transferring to a position that no longer required access and the remaining three employees continued to have access to various systems for as long as two months after their termination.

The Commonwealth's Security Standard, Access Management Section AC-2, requires the organization to notify account managers when users are terminated or transferred. In addition, Motor Vehicles' Information Technology Access Control Policy calls for prompt termination of systems access upon termination or transfer. Untimely deletion of access to systems can expose the agency to inappropriate activity by individuals no longer employed by the agency or no longer in their previous position.

While Motor Vehicles eventually removed access following internal systems access reviews, supervisors were not completing System Access Request forms (SAR-13s) in a timely manner to notify the necessary parties to remove systems access. Management should evaluate their SAR-13 systems access removal process to ensure timely notification to the necessary parties. Management should also consider whether supervisors are the best initiators of this process or if another party should be responsible for initiating this process.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-044: Improve Patient Accounting, Billing, and Management System Segregation of Duties

Applicable to: University of Virginia-Medical Center

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The Medical Center is not properly monitoring and analyzing security templates for its patient accounting, billing, and management system to ensure roles assigned are reasonable and align with the principle of least privilege. In fiscal year 2018, the University of Virginia Audit Department issued a segregation of duties audit report, which focused on access to the Medical Center's newly implemented patient accounting, billing, and management system. The primary issues noted by the Audit Department include insufficient consideration or analysis of potential segregation of duties conflicts when changing user access templates, along with a lack of documented approval when making changes to templates.

User access templates include various classes, and each class contains detailed security points. These security points are the key to assigning and restricting access in the patient accounting, billing, and management system. The Medical Center Security Standard, section AC-5 Separation of Duties, requires that the organization separate duties of individuals, document separation of duties of individuals, and define information system access authorizations to support separation of duties. With no documented analysis over sensitive security points in the patient accounting, billing, and management system coupled with a lack of documentation showing various changes that have been made to security templates since implementation, the Medical Center has limited assurance that access assigned complies with the principle of least privilege. Improper access to the patient accounting, billing, and management system increases the risk of improper activity within the system, which could subsequently affect the Medical Center's financial statements.

The Medical Center should follow recommendations made by the University of Virginia Audit Department related to segregation of duties in the patient accounting, billing, and management system. By identifying and documenting sensitive security points, the Medical Center will be able to better analyze security templates to monitor for improper segregation of duties within the system.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-045: Perform Annual Access Review of Information Systems

Applicable to: Department of Corrections - Central Administration

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Corrections has not performed an annual access review of the Commonwealth's attendance and leave system or the Commonwealth's human resource system in accordance with the Commonwealth's Information Security Standard, SEC 501 (Security Standard). Security Standard, Section 8.1 AC-2(j), requires the agency to "review accounts for compliance with account management on an annual basis or more frequently if required to address environmental change."

Corrections does not have a policy to perform an annual access review of either system. The Commonwealth's attendance and leave system is a critical information system used for timekeeping and leave reporting while the personnel management information system is a critical information system used for managing personnel, compensation and health benefits data. Not conducting regular access reviews for mission critical systems threatens the integrity of the system and data housed within the system. Unnecessary access to the systems could result in fraudulent personnel, compensation, and leave information.

Corrections should perform an annual access review of the Commonwealth's attendance and leave system and the personnel management information systems. Furthermore, Corrections should develop and implement a policy to ensure compliance with the Security Standard going forward.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-046: Improve Logical Access Controls for Users with Privileged Access

Applicable to: Department of Alcoholic Beverage Control

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

ABC's account management processes for users with privileged access, such as database administrators, developers, and security analysts, does not meet certain minimum requirements in the Commonwealth's Information Security Standard, SEC 501 (Security Standard). ABC's currently legacy systems make it difficult to automate account management or achieve consistency across its technology infrastructure. ABC became an Authority on January 1, 2018, and, as such, will have autonomy from following the requirements in the Security Standard beginning October 1, 2018. After this date, ABC

plans to develop and implement new policies and procedures based on the National Institute of Standards and Technology (NIST) Standard, 800-53 (NIST Standard).

We addressed specific control weaknesses to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms. The Security Standard requires agencies to implement specific controls to reduce unnecessary risk to data confidentiality, integrity, and availability.

ABC should remediate the weaknesses discussed in the communication marked FOIAE in a timely manner, and ensure they meet all the requirements in the NIST Standard as they transition away from the Security Standard.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

SYSTEM AND SERVICES ACQUISITION

2018-047: Continue to Improve Oversight Over Third-Party Service Providers

Applicable to: Virginia Employment Commission

Prior Year Finding Number: 2017-049; 2016-042; 2015-060; 2014-003

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The Virginia Employment Commission (Commission) continues to improve its oversight over third-party service providers (providers) by finalizing a formal process to gain assurance over outsourced operations. The Commission has completed the process to gain assurance over two of the three information technology (IT) providers that the Commission relies on, however; the Commission has not completed the process for the third provider.

The Commonwealth's Hosted Environment Information Security Standard, SEC 525 (Hosted Security Standard) requires the Commission to perform a security audit or review an independent audit report of the provider's environment on an annual basis (Hosted Security Standard section: SA-9-COV-3 External Information System Services). Without completing the process to obtain assurance over the provider, the Commission cannot consistently validate that this provider has effective IT controls to protect its sensitive data and complies with the Commission's security requirements.

To address this issue, the Commission is implementing Enterprise Cloud Oversight Services (ECOS) for this provider. The Virginia Information Technologies Agency (VITA) provides this service, which includes evaluation of independent audit assurance for the Commission's providers. The Commission has not completed the ECOS process because the Commission is waiting for the provider to produce an independent audit of their controls and submit it to the Commission for review.

The Commission should review an independent audit of the provider's controls and complete the remaining steps of the ECOS process. In the meantime, the Commission should consider implementing compensating controls, if warranted, to reduce the data security risk associated with the sensitive data until the ECOS process is completed. Alternatively, the Commission should perform an internal review of the independent audit over the provider's controls and follow the procedure to gain appropriate assurance over this vendor. Finally, the Commission should follow their established processes to obtain and maintain assurance over the controls of a potential third-party service provider before entering into the contract.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-048: Improve Oversight of Third-Party Service Providers

Applicable to: University of Virginia-Medical Center

Prior Year Finding Number: 2017-047

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The Medical Center continues to address the information security weakness communicated in our prior year audit report to gain assurance their third-party providers have secure IT environments to protect sensitive and mission critical data. Third-party providers are organizations that perform outsourced business tasks or functions on behalf of the Medical Center. The Medical Center uses six third-party providers that transmit, process, or store sensitive and mission critical data.

The Medical Center does not have an effective formal, documented policy, procedure, and process to continuously manage their third party providers. To gain assurance over provider controls, the Medical Center receives self-reported information security documentation from its third-party providers. The Medical Center reviews the information and assigns a risk level, but IT staff does not obtain confirmation of the accuracy of the information provided, either through direct review of the organization's controls or external validation of the information by an independent organization.

The Medical Center Security Standard, section SA-9, requires that organizations define and employ processes to monitor security control compliance by external service providers on an ongoing basis. By not gaining adequate assurance over third-party service providers' IT environments, the Medical Center cannot validate the effectiveness of the providers' IT controls to protect its sensitive and mission critical data.

The Medical Center should develop a formal process to gain ongoing assurance that its third-party providers have secure IT environments to protect sensitive and mission critical data. To do this, the Medical Center should perform an annual security audit of the provider's IT environment or review

independent audit reports, such as System and Organization Controls (SOC) reports, on an annual basis. After the Medical Center develops a formal process, they should incorporate it into their information security program. The fiscal year 2019 audit will include an evaluation of the Medical Center's process to gain assurance over third-party providers and determine whether it is sufficient to resolve the weakness.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-049: Improve Oversight of Third-Party Service Providers

Applicable to: University of Virginia-Academic Division

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The Academic Division does not gain assurance that IT-related third-party service providers who create, obtain, transmit, use, maintain, process, or dispose of University data have secure IT environments to protect sensitive and mission critical data. Third-party providers are organizations that perform outsourced business tasks or functions on behalf of the Academic Division. The Academic Division uses seven IT service providers that transmit, process, or store sensitive and mission critical data.

The Academic Division has a process in place to manage these third-party providers, but has not performed regular security audits of the provider's IT environment or reviewed independent audit reports, such as SOC reports, on a regular basis to determine that agreed upon security controls are in place and operating effectively.

For any contracts with vendors that may access, process, store, communicate, or provide IT infrastructure components, the Academic Division requires the vendor to complete a data protection addendum wherein the vendor agrees to adhere to certain security requirements. The addendum states that Academic Division personnel have the right to conduct audits of the vendor at any time, and that the vendor must conduct, or have conducted, an annual independent security audit that attests to the vendor's security policies, procedures, and controls. The addendum further states that the vendor must provide the results of independent security audits at the Academic Division's request, and that the vendor must modify its security measures, based on the results of the audit, to meet the controls agreed upon in the addendum. However, the Academic Division has not requested and evaluated the results of independent security audits for any of its third-party providers.

The Academic Division Security Standard requires that organizations regularly monitor, review, and audit vendor services to ensure the third-party vendors adhere to the information security terms

and conditions of the agreements. By not gaining adequate assurance over third-party service providers' IT environments, the Academic Division cannot validate the effectiveness of the providers' IT controls to protect the Academic Division's sensitive and mission critical data.

The Academic Division did not gain assurance over these IT-related third-party providers' IT environments, because it did not follow-through with requesting the results of each vendor's independent security audit, which the terms of the contract addendum require. The Academic Division recently began the process of obtaining and reviewing SOC reports from the vendors.

The Academic Division should gain assurance that each of their IT-related third-party providers have secure IT environments to protect sensitive and mission critical data. To do this, the Academic Division should perform an annual security audit of the provider's IT environment, or obtain and evaluate SOC reports, or other independent audit reports, to confirm that each provider maintains effective IT controls to protect its sensitive and mission critical data.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-050: Review and Document Service Organization Control Reports of Third-Party Service Providers

Applicable to: Department of Accounts

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Accounts does not maintain support of its review of third-party service providers' (providers) Service Organization Control reports, including subservice organizations. Providers are entities that perform outsourced tasks and business functions on behalf of Accounts and the Commonwealth. A Service Organization Control report provides an independent description and evaluation of the provider's internal controls.

The Security Standard, Section 1.1, states that agency heads remain accountable for maintaining compliance with the Security Standard for information technology equipment, systems, and services procured from providers. Agencies must enforce the compliance requirements through documented agreements and oversight of the services provided. Additionally, the Commonwealth Accounting Policy and Procedures (CAPP) Manual Topic 10305 requires agencies to have adequate interaction with the provider to appropriately understand the provider's internal control environment. Agencies must also maintain oversight over the provider to gain assurance over outsourced operations.

Without performing timely reviews of Service Organization Control reports, Accounts cannot ensure providers' controls are operating effectively. Although Accounts maintains a high degree of

interaction with its providers, management is increasing the Commonwealth's risk that it will not detect a weakness in a provider's environment, which could negatively impact the Commonwealth. To address this issue, Accounts is currently in the process of developing and implementing policies and procedures relating to the review of Service Organization Control reports.

Accounts should ensure policies and procedures include processes to timely obtain, review, assess, and document the effectiveness of provider controls reported through Service Organization Control reports. In addition, Accounts should use Service Organization Control reports as a component of its oversight activities over its providers to confirm they comply with the requirements outlined in the Security Standard, CAPP Manual, and industry best practices. If Accounts identifies weaknesses in Service Organization Control reports, management should implement complementary controls to mitigate the risk to the Commonwealth until the provider corrects the deficiency.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-051: Perform Review of Service Organization Control Reports for Third-Party Service Providers

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: WIC Special Supplemental Nutrition Program for Women, Infants, and Children - 10.557

Federal Award Number and Year: 171VA707W1003 - 2017

Name of Federal Agency: U. S. Department of Agriculture

Type of Compliance Requirement - Criteria: Other - 2 CFR §200.303(a)

Known Questioned Costs: \$0

Health's Population Health Shared Administrative Services Division (Population Health) did not perform a review of the Service Organization Control (SOC) report for a third party service provider for the WIC program related to fiscal year 2017. A SOC report provides an independent description and evaluation of the service provider's internal controls. Population Health obtained the SOC report which reported material weaknesses in the service organization's internal control effectiveness; however, there is no evidence that Population Health reviewed the report or evaluated the internal control weaknesses. There was evidence that Population Health performed a SOC report review related to the same service provider for fiscal year 2018 and this review is still ongoing.

The Security Standard requires that agency heads remain accountable for maintaining compliance with the Security Standard for information technology equipment, systems, and services procured from providers, and agencies must enforce the compliance requirements through documented

agreements and oversight of the services provided. Additionally, the CAPP Manual Topic 10305 – Internal Control, requires agencies to obtain assurance over the internal control environment of outsourced operations through a review of SOC reports. Lastly, Health’s Office of Procurement and General Services (OPGS), Contract Administration Policy OPGS 5.01, states that contract administrators are responsible for obtaining and reviewing the SOC reports each year and providing this documentation to Internal Audit within 30 days of report receipt.

The lack of a review for fiscal year 2017 was the result of turnover in staff and there was no process in place to ensure this responsibility was delegated to another staff member. Given the significance of the service provider’s role in the WIC program, internal control weaknesses reported in the SOC report could significantly impact the program. Without review and evaluation of the SOC report, Population Health cannot ensure that service providers’ controls are designed, implemented, and operating effectively. This increases the risk that weaknesses in a provider’s environment are not detected and affects Health’s ability to ensure WIC program operations are in compliance with federal requirements.

Population Health should comply with requirements and internal policy with respect to review, evaluation, and documentation of SOC report reviews. If weaknesses are identified in SOC reports, at a minimum, Population Health should request a corrective action plan from the provider and work closely with Internal Audit to implement additional internal controls to reduce the risk to the Commonwealth.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

CONTINGENCY PLANNING

2018-052: Improve Continuity Planning Documentation

Applicable to: Virginia Commonwealth University

Prior Year Finding Number: 2017-057

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The University does not maintain effective Continuity Planning documentation, which may result in unnecessary delays when attempting to restore information technology (IT) services to some business functions. Specifically, the University does not have a Business Impact Analysis (BIA) to evaluate the University’s essential and non-essential business functions and their dependence on IT systems.

As specified by the business continuity management system standard, ISO 22301:2012, organizations should complete a cycle of the BIA process before selecting business continuity strategies. The International Organization for Standardization offers guidance for establishing, implementing, and

maintaining a BIA in ISO/TS 22317:2015. Without a BIA, the University is unable to identify its mission-critical and non-essential business functions and reliance on one or more IT systems. This increases the risk that the University may apply unnecessary or ineffective controls because it did not base its continuity management documentation on information in the BIA.

The University originally planned to complete its BIA by December 2018, but the date has been moved to July 2019 because the responsible resource left the University. The University is recruiting to fill that position and is training employees on the BIA process. The University should complete the BIA and update its continuity management documentation to ensure all systems that support mission-critical functions have the necessary controls in place. Doing this will help to ensure the availability of sensitive and mission critical systems.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-053: Improve IT Contingency Management Program

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: 2017-065

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

DBHDS does not have complete and current Continuity of Operations Plans (COOP) and Information Technology (IT) Disaster Recovery Plans (DRP) for the facilities and Central Office. DBHDS assigned resources and submitted work requests to the Virginia Information Technologies Agency (VITA) to address the lack of current and complete COOPs and DRPs. However, due to the transition of the Commonwealth's Partnership with Northrop Grumman to the new managed services with Science Applications International Corporation (SAIC), VITA is unable to provide some of the information necessary for DBHDS to complete the COOPs and DRPs. DBHDS plans to work with SAIC and VITA to obtain cost estimates and develop a plan to address disaster recovery and continuity of operations.

DBHDS has hospitals, mental health institutes, and training centers that manage their own mission critical IT applications that help provide patient services. Three of these facilities do not have a COOP, one facility and the Central office do not have a DRP, and the remaining facilities' COOPs and DRPs are out-of-date, with some as old as 2009. In addition, the Central Office and the facilities are not performing annual tests on the COOPs or DRPs.

The Security Standard, Section CP-1, requires DBHDS to develop and disseminate procedures to facilitate the implementation of a contingency planning policy and associated contingency planning controls. The Security Standard also requires the agency to maintain current COOPs and DRPs and conduct annual tests against the documents to assess their adequacy and effectiveness.

By not having current COOPs and DRPs, DBHDS increases the risk of mission critical systems being unavailable to support patient services. In addition, by not performing annual tests against the COOPs and DRPs, DBHDS is unable to identify weaknesses in the plans and may unnecessarily delay the availability of sensitive systems in the event of a disaster or outage.

DBHDS should continue to work with VITA and SAIC to remediate the weaknesses in the continuity of operations and disaster recovery processes and ensure the contingency management program meets the minimum requirements in the Security Standard. DBHDS should develop and update the COOPs and DRPs ensuring they are consistent across the facilities and Central Office. DBHDS should also perform annual tests against the COOP and DRP to ensure Central Office and the facilities can restore mission critical and sensitive systems in a timely manner in the event of an outage or disaster. Doing this will help to ensure DBHDS maintains the confidentiality, integrity, and availability of their mission critical and sensitive systems.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-054: Develop Records Retention Requirements and Processes for Case Management System Electronic Records

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: TANF Cluster - 93.558, 93.714

Federal Award Number and Year: 1801VATANF - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Other - 45 CFR §155.1210

Known Questioned Costs: \$0

Social Services does not have electronic records retention requirements for its case management system. Social Services is working to document and implement specific record retention requirements for the federal benefit programs based on federal regulations. Social Services experienced delays with developing and implementing corrective actions due to competing priorities of Medicaid expansion and other corrective actions within the IT environment. We communicated the deficiencies to management in a separate document marked FOIAE under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms.

Federal regulations require different record retention requirements for different federal programs. Additionally, the Virginia Public Records Act (§42.1-91 of the Code of Virginia) requires each agency to be responsible for ensuring that its public records are preserved, maintained, and accessible

throughout their lifecycle, including converting and migrating electronic records as often as necessary so that information is not lost due to hardware, software, or media obsolescence or deterioration. Furthermore, the Security Standard, Section CP-9-COV, requires for every IT system identified as sensitive relative to availability, an agency implement backup and restoration plans that address the retention of the data in accordance with the records retention policy.

Retaining records longer than necessary causes the Commonwealth to spend additional resources to maintain, back-up, and protect the information. Additionally, without documenting and implementing records retention requirements, Social Services may not be able to ensure that backup and restoration efforts will provide mission essential information according to recovery times.

Social Services should continue identifying retention requirements for the data within its case management system. Additionally, Social Services should implement a process, whether a manual process or automated control, to ensure consistent compliance with the retention requirements the agency identifies for each data set within the IT system.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-055: Improve Contingency Management Program

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Health does not perform certain processes in their contingency management program required by the Security Standard and industry best practices. We identified two weaknesses and communicated them to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under §2.2-3705.2 of the Code of Virginia due to them containing descriptions of security mechanisms.

The Security Standard requires agencies to implement certain controls that reduce unnecessary risk to data confidentiality, integrity, and availability in systems processing or storing sensitive information. By not meeting the minimum requirements in the Security Standard, Health cannot ensure the confidentiality, integrity, and availability of data within its systems.

Health should dedicate the necessary resources to implement the controls discussed in the communication marked FOIA Exempt in accordance with the Security Standard and best practices in a timely manner.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-056: Improve Disaster Recovery Planning Documentation

Applicable to: Department of Taxation

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Taxation maintains disaster recovery planning documentation that is inconsistent with the recovery expectations of some of its business functions. Additionally, Taxation does not consistently use disaster recovery plan nomenclature in its contingency planning documentation.

We communicated the specific control weaknesses to management in a separate document marked FOIAE under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms. In general, the control weaknesses do not comply with the Security Standard, Sections 3.2 and CP-1-COV-1.

Inconsistent recovery expectations and ambiguous language reduces the effectiveness of Taxation's disaster recovery planning documentation. Taxation should make the necessary revisions, as discussed in the separate FOIAE communication, to become compliant with the Security Standard and improve the effectiveness of its plans.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

AUDIT AND ACCOUNTABILITY

2018-057: Continue Improving Database Security

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: 2017-030; 2016-009

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Education continues to improve security controls for its database that stores its financial activity in accordance with its information security manual and the Security Standard. Education has resolved

five out of six control weaknesses identified in the fiscal year 2017 audit. We communicated the remaining control weaknesses to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms. The Security Standard requires the implementation of certain controls that reduce unnecessary risk to data confidentiality, integrity, and availability in systems processing or storing sensitive information. By not meeting the minimum requirements in the Security Standard and aligning the database's settings and configurations with best practices, Education cannot ensure the confidentiality, integrity, and availability of data within the database or the information it reports.

Education should continue dedicating the necessary resources to implement the controls discussed in the communication marked FOIAE in accordance with the Security Standard and best practices in a timely manner.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-058: Continue Improving Database Security

Applicable to: Department of Social Services

Prior Year Finding Number: 2017-031; 2017-032; 2016-017

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: TANF Cluster - 93.558, 93.714

Federal Award Number and Year: 1801VATANF - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Other - 2 CFR §200.303(e)

Known Questioned Costs: \$0

Social Services does not perform certain security procedures over the databases supporting its financial reporting system and case management system in accordance with the Security Standard and industry best practices. Social Services resolved three out of four prior year database weaknesses for its case management system and four out of five prior year database weaknesses for its financial reporting system. The corrective actions to remediate the remaining weakness in the databases took longer than Social Services anticipated. We communicated the details of the remaining weakness for both systems to management in a separate document marked FOIAE under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls.

The Security Standard requires agencies to implement certain minimum controls to safeguard data that is stored in database systems. This serves to reduce the unnecessary risk to data confidentiality, integrity, and availability. By not implementing the controls discussed in the FOIAE

communication, the systems' databases are not secure against known vulnerabilities. This increases the risk for malicious users to exploit those vulnerabilities and compromise sensitive Commonwealth data.

Social Services should dedicate the necessary resources to ensure that database procedures and controls align with the requirements in the Security Standard. Additionally, Social Services should consistently implement controls across all of its systems. Doing this will help maintain the confidentiality, integrity, and availability of sensitive and mission critical data.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-059: Continue to Improve Database Security

Applicable to: Virginia Employment Commission

Prior Year Finding Number: 2017-039; 2016-014; 2015-004

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The Commission continues to improve some security controls in a database that supports mission critical business functions. The Commission resolved one of three control weaknesses identified in the fiscal year 2017 audit. The Security Standard requires agencies to implement certain minimum controls to safeguard data that is stored in database systems.

We have communicated the details of the remaining control weaknesses to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls. In general, these control weaknesses relate to system logging and monitoring.

The Commission should continue its efforts to implement and improve the controls discussed in the communication marked FOIAE to meet, at a minimum, the requirements in the Security Standard and applicable industry best practices. If deviations from the Security Standard are necessary, the Commission should document reasons and compensating controls in place for those deviations.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-060: Perform Information Technology Security Audits

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Education is not in compliance with the IT Audit Standard for its IT security audits. Education signed a Memorandum of Understanding for Virginia Information Technologies Agency's (VITA) IT security audit services to comply with the requirements. Education is expecting to be in full compliance by the first quarter of 2020.

The IT Audit Standard, Section 1.4, requires that Education assess IT systems that contain sensitive data, or reside in a system with a sensitivity of high on any of the criteria of confidentiality, integrity, or availability, at least once every three years.

By not fully complying with the IT security audit requirements, existing weaknesses will remain undetected and unmitigated, increasing the risk of a system and data compromise by malicious parties or system unavailability.

Education should continue working with VITA to comply with IT Audit Standard requirements as planned. Education should subsequently manage IT security audits to ensure compliance with the IT Audit Standard.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

RISK ASSESSMENT

2018-061: Complete IT Risk Assessments and Define System Boundaries

Applicable to: Virginia Employment Commission

Prior Year Finding Number: 2017-038; 2017-058; 2016-056; 2015-040; 2014-003

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The Commission has made significant progress since the previous audit by improving risk management and contingency planning documentation. Specifically, the Commission has finished updating the Business Impact Analysis and Continuity of Operations Plan, and completed the risk assessments and definition of system boundaries for 17 of their 27 (63%) sensitive systems. The

remaining ten sensitive systems continue to operate without complete risk assessments or defined system boundaries.

The Commonwealth's Information Security Standard, SEC 501 (Security Standard) requires the Commission to complete a risk assessment and to define the system boundaries for each sensitive IT system (Security Standard sections: 6.2 Risk Assessment & 5.2.1 Sensitive IT System Inventory and Definition).

Without using complete risk assessments and defining the boundaries of sensitive systems, the Commission increases the risk of overlooking specific configuration weaknesses in these systems, which if undetected and unmitigated, increase the risk of system compromise by a malicious actor. Additionally, without defining system boundaries, the Commission increases the risk of users moving sensitive data beyond established boundaries, which could result in financial, legal, or reputational damages for the Commission.

Based on limited availability of information security resources, the Commission created a multi-year plan to complete the risk assessments and define system boundaries for sensitive systems by the end of 2019. The Commission completed the risk assessments scheduled for 2018 and plans to complete the remaining ten in 2019.

The Commission should continue its efforts to prioritize corrective actions to complete an IT risk assessment for each IT system identified as sensitive. Additionally, the Commission should dedicate the necessary resources to identify and define the system boundaries for each sensitive system, as required by the Security Standard.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-062: Improve IT Risk Management Process and Documentation

Applicable to: University of Virginia-Medical Center

Prior Year Finding Number: 2017-040

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The University of Virginia Medical Center (Medical Center) continues to implement their corrective action plan to address the weakness communicated in our prior year audit report to improve risk management processes and supporting documentation. The Medical Center began a project in May 2018 to ensure its risk management process and procedures address all required elements in its adopted information security standard, NIST 800-53 (Medical Center Security Standard). Thus far, the Medical Center has complete risk assessments for several of its mission critical systems and has draft versions of its risk management documents.

The Medical Center plans to complete and approve all risk management documents by January 2019. The fiscal year 2019 audit will include an evaluation of the Medical Center's complete risk management documents to determine if they are adequate to resolve the weakness.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-063: Improve Vulnerability Scanning Process

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

As of December 8, 2018, Education was not performing certain processes relating to vulnerability scanning within its IT environment. We identified one weakness and communicated it to management in a separate document marked FOIAE under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms.

The Security Standard requires agencies to implement certain controls that reduce unnecessary risk to data confidentiality, integrity, and availability in systems processing or storing sensitive information. By not meeting the minimum requirements in the Security Standard, Education cannot ensure the confidentiality, integrity, and availability of data within its systems.

Education should dedicate the necessary resources to implement the control discussed in the communication marked FOIA Exempt in accordance with the Security Standard and best practices in a timely manner.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

CONFIGURATION MANAGEMENT

2018-064: Develop Baseline Configurations for Information Systems

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: 2017-053; 2016-051; 2015-005

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

DBHDS does not have documented baseline configurations for their sensitive systems' hardware and software requirements. DBHDS is working to reduce the total number of sensitive systems, but still has 171 sensitive systems, with some containing HIPAA data, social security numbers, and PHI data. DBHDS is in the process of implementing software that has the ability to establish, configure, and monitor baseline configurations. The IT security analyst responsible for testing the software product and implementing it into the production environment left DBHDS in September 2018. The agency assigned the work effort to another IT security analyst and plans to complete the implementation in 2019.

The Security Standard, Section 8 Configuration Management, CM-2 and CM-2-COV, requires DBHDS to perform the following:

- Develop, document, and maintain a current baseline configuration for information systems. (CM-2)
- Review and update the baseline configurations on an annual basis, when required due to environmental changes, and during information system component installations and upgrades. (CM-2)
- Maintain a baseline configuration for information system development and test environments that is managed separately from the operational baseline configuration. (CM-2)
- Apply more restrictive security configurations for sensitive systems, specifically systems containing HIPAA data. (CM-2-COV)
- Modify individual IT system configurations or baseline security configuration standards, as appropriate, to improve their effectiveness based on the results of vulnerability scanning. (CM-2-COV)

The absence of baseline configurations increases the risk that these systems will not meet the minimum security requirements to protect data from malicious access attempts. Baseline security configurations are essential controls in information technology environments to ensure that systems have appropriate configurations and serve as a basis for implementing or changing existing information

systems. If a data breach occurs to a system containing HIPAA data, the agency can incur large penalties, up to \$1.5 million.

DBHDS should assign an IT security analyst, develop a plan, and prioritize the installation of the software to establish and maintain security baseline configurations for their sensitive information systems to meet the requirements in the Security Standard. Doing this will help ensure the confidentiality, integrity, and availability of the agency's sensitive data.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-065: Improve Information Technology Change Management Program

Applicable to: Department of Motor Vehicles

Prior Year Finding Number: 2017-054

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Motor Vehicles made improvements to their change management process and documentation to address the weakness communicated in our prior year audit report. Motor Vehicles established and implemented an interim solution for change and configuration management to record and track changes until it begins using a new software tool. However, not all users follow the interim solution, which increases the risk malicious users could compromise the confidentiality, integrity, and availability of sensitive data. Additionally, one department continues to conduct configuration changes using their own process and does not follow the agency-wide interim solution. Having a department using their own process can lead to inconsistent implementation of changes that could affect the confidentiality, integrity, and availability of mission essential data. The Commonwealth's Security Standard, Section CM-3, requires Motor Vehicles to document proposed changes, audit and review activities associated with system changes, and retain records of system changes for a minimum of one year.

Motor Vehicles plans to use the new change and configuration software tool beginning in December 2018. The fiscal year 2019 audit will evaluate Motor Vehicle's change and configuration management documentation and process to determine if it meets the minimum requirements set by the Security Standard.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-066: Improve Server Operating System Security

Applicable to: Virginia Lottery

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Lottery is missing some required and recommended security controls for one of the server operating systems that support Lottery's primary financial management system. These missing controls are either required by Lottery's policy or the Commonwealth's Security Standard. Further, industry best practices, including the Center for Internet Security and the Defense Information Systems Agency's Security Technical Implementation Guide, also recommend certain controls to protect data confidentiality, integrity, and availability.

We identified misconfigured controls related to least functionality and system monitoring. We communicated details about the specific control weaknesses to management in a separate document marked Freedom of Information Act Exempt under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms.

Not configuring the server according to least functionality and using inadequate monitoring controls increases the risk that Lottery will not be able to prevent, detect, or mitigate security incidents involving the server in a timely manner that also complies with Lottery's policy and the Security Standard.

Lottery should update their server configuration process to include the missing controls so that they align with Lottery's policy, the Security Standard, and industry best practices. Implementing these controls will help maintain the confidentiality, integrity, and availability of the sensitive and mission critical data stored and processed on the server.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

AWARENESS AND TRAINING

2018-067: Improve Security Awareness Training Program

Applicable to: University of Virginia-Academic Division

Prior Year Finding Number: 2017-067; 2016-063

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The University of Virginia Academic Division (Academic Division) is making satisfactory progress to address an information security weakness communicated in our prior year audit report regarding improving the security awareness training program; however, corrective action remains in progress.

Specifically, the Academic Division established a new policy addressing security awareness training requirements, including a requirement that employees must complete annual security awareness training. The Academic Division will provide training, track completion and enforce policy requirements in its new learning management system (LMS), which it anticipates going into production in January 2019.

However, the new policy does not require that newly hired employees must complete the training prior to receiving access rights to the Academic Division's information technology (IT) systems, and the Academic Division does not document the process used to track and enforce organizationally defined training requirements in an accompanying procedure.

The Academic Division's adopted information security standard, ISO 27002 (Academic Division Security Standard), section 7.2.2, requires that organizations provide training for all users on a regular basis and that organizations provide initial training to both employees transferring to new positions, as well as to new employees, before the role becomes active. The Academic Division Security Standard additionally requires organizations to ensure effective security awareness training by enforcing and assessing training completion. Ineffective security awareness training increases the risk of security incidents related to untrained users falling victim to common cyber-attacks, such as phishing or social engineering.

The Academic Division plans to incorporate annual security awareness training into the new LMS, including integrating the process of monitoring and tracking at-hire and annual security awareness training completion within the LMS. The fiscal year 2019 audit will include an evaluation of the Academic Division's completed corrective action and determine whether the Academic Division satisfactorily resolved the weakness.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-068: Improve the IT Security Awareness Training Process

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Education does not adequately monitor and enforce employee compliance with the annual security awareness and training requirement. Specifically, Education does not have a process to reconcile employee lists from Active Directory (AD), the Department of Human Resources' time and leave system, and the Commonwealth's Virginia Learning Center system (VLC). The VLC provides security awareness training and if employees are not in this system, Education cannot ensure all employees with access to information systems are taking annual security awareness training. As a result, 46 out of 338, 13 percent, employees are not in VLC and do not have a record of completing security awareness training after hire or annually thereafter.

Security Standard, Section AT-2, requires Education provide basic security awareness training to information system users as part of initial new hire training, when required by information system changes, and annually or more often as necessary thereafter. Additionally, Section AT-4 requires Education document and monitor individuals' completion of security awareness training. Furthermore, Education's Security Manual, Section 8.2.2, requires all new system users to complete basic security awareness training within 90 days of hire.

Without a process to verify the employee lists in the AD, time and leave system, and VLC system reconcile, Education cannot monitor and verify that all users completed the required security awareness training. This ultimately increases the risk that a user will not identify and respond to security threats that could compromise sensitive systems and data. Education's lack of a sufficient process to reconcile the employee lists across the three systems caused Education to be out of compliance with the security awareness and training requirement.

Education should develop an effective process to reconcile employees in the AD, time and leave system, and VLC system to ensure all employees with access to Education's information systems complete IT security awareness training. Once Education develops the process to reconcile employees in the various systems, Education should continue improving its monitoring process to ensure all users complete IT security awareness training in accordance with its Security Manual and the Security Standard.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

SYSTEM AND COMMUNICATIONS PROTECTION

2018-069: Improve Web Application Security Controls

Applicable to: Department of Human Resource Management

Prior Year Finding Number: 2017-033; 2016-015; 2015-010

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Human Resource Management continues to not implement certain minimum security controls for one of its web applications as required by the Security Standard and industry best practices. Lacking application and database controls can create vulnerabilities that expose data to potential compromises and system unavailability, which may lead to reputational damage and financial penalties imposed on Human Resource Management.

Human Resource Management has corrected one of the weaknesses communicated in the prior year finding; however, other weaknesses still exist. We communicated the specific control weaknesses and compliance references to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under §2.2-3705.2 of the Code of Virginia due to it containing descriptions of security mechanisms. In general, the weaknesses relate to configuration of the web application.

The weaknesses identified in the FOIAE document continue to persist in Human Resource Management's environment due to limited and constrained information security resources. Additionally, Human Resource Management relies on a third party to implement some of the required controls. Human Resource Management should obtain the resources necessary and collaborate with the third party to remediate the concerns identified in the FOIAE recommendation. Remediating these weaknesses will help to protect the confidentiality, integrity, and availability of data in the application environment.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

SYSTEM AND INFORMATION INTEGRITY

2018-070: Continue to Upgrade Unsupported Technology

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: 2017-060; 2016-034; 2015-056

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

DBHDS is not protecting sensitive data by using end-of-life or end-of-support technologies for sensitive systems. However, DBHDS is making significant progress in upgrading, consolidating, and decommissioning the end-of-life systems that contain Health Insurance Portability and Accountability Act (HIPAA) data, mission-critical financial data, and Personal Health Information (PHI) data. DBHDS made this a priority over the past two years and hired three external developers, an external business analyst, and dedicated internal resources to remediate the end-of-life technology. Due to limitations of its legacy systems, DBHDS continues to operate technology that the vendor no longer supports.

DBHDS is planning to replace each legacy application during 2019. In the meantime, DBHDS submitted security exceptions to VITA to continue using the end-of-life technology until the agency can decommission and replace it with current technology. However, VITA's Chief Information Security Officer has not yet approved the exceptions.

The Security Standard, Section SI-2-COV (c), requires that organizations prohibit the use of products designated as end-of-life or end-of-support by the vendor or publisher. By using end-of-life or end-of-support technology, DBHDS can no longer receive and apply security patches for known vulnerabilities, which increases the risk that a malicious attacker may exploit these vulnerabilities leading to a data breach. DBHDS has systems using end-of-life technology that contain HIPAA data, and if a data breach occurs, it can result in large monetary penalties, up to \$1.5 million. Additionally, vendors do not offer operational and technical support for end-of-life and end-of-support technologies, which effects data availability by increasing the difficulty of restoring system functionality if a technical failure occurs.

DBHDS has a decentralized IT department and, in the past, lacked the proper governance to maintain their sensitive systems and meet the minimum requirements in the Security Standard. This caused DBHDS to have legacy applications that run on end-of-life software versions, and DBHDS cannot upgrade them to newer technology without disrupting the application.

DBHDS has improved the governance over the information security program and has plans to remediate the remaining end-of-life and end-of-support technologies. DBHDS should work with VITA to receive approval for the security exceptions they submitted. In addition, DBHDS should continue to prioritize the upgrade, consolidation, or decommission of all end-of-life and end-of-support technologies. Doing this will reduce the risk to the confidentiality, integrity, and availability of sensitive Commonwealth data.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

INFORMATION SECURITY ROLES AND RESPONSIBILITIES

2018-071: Improve IT Security Governance

Applicable to: Department of Human Resource Management

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Human Resource Management does not have an adequate information technology (IT) security governance structure to manage its information security program and comply with the Commonwealth's Information Security Standard, SEC 501 (Security Standard). Human Resource Management is responsible for managing multiple statewide systems that have a material impact on the Commonwealth's financial operations and require extensive IT resources to secure and meet the requirements in the Security Standard. The lack of an adequate IT security governance structure restricts Human Resource Management's ability to mitigate security weaknesses in their IT environment.

The Security Standard requires the agency to ensure the information security program is maintained, is adequate to protect the agency's IT systems, and is effectively communicated throughout the organization (Security Standard section: 2.4.2). Specifically, Human Resource Management has control weaknesses in the following areas:

- Human Resource Management does not have an internal full-time Information Security Officer (ISO) that is independent from IT operations;
- Human Resource Management does not use a separate budget line item to account for information security operations;
- Human Resource Management does not have a strategic plan for information security that provides clear direction, milestones, and metric tracking for the information security program; and
- Human Resource Management does not have a process to periodically review and update information security policies/procedures.

In addition to these control weaknesses, Human Resource Management's inadequate IT security governance structure has contributed to the agency's inability to resolve audit recommendations. Between fiscal years 2014 and 2018, Human Resource Management has been unable to resolve multiple

IT security related recommendations, with several recommendations included in four consecutive audit reports.

By not having an adequate IT security governance structure to properly manage Human Resource Management's IT security program, there is increased risk that Human Resource Management will not properly secure sensitive IT resources, which can lead to a breach of sensitive data or system unavailability. Human Resource Management should establish an independent security function, specifically an internal full-time ISO, within the organization and integrate IT security with system operations. To reduce any potential conflicts of interest, the ISO should report directly to the agency head, and not the Chief Information Officer. Additionally, Human Resource Management should evaluate its IT resource levels to ensure sufficient resources are available to implement any IT security governance changes and remediate any control deficiencies. Improving the IT governance structure will help ensure the confidentiality, integrity, and availability of sensitive data.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

HUMAN RESOURCES AND PAYROLL

2018-072: Improve Controls over Payroll

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: 2017-072; 2016-076; 2015-088

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Individual facilities within DBHDS do not have adequate controls in place to ensure pay changes are approved, payroll is appropriate, and access is removed timely. Specifically:

- Six out of 23 (26%) former Commonwealth's human resource system users tested did not have their access removed timely. Removal of access for these users took between one to 36 weeks after employee separation.
- Seven out of 12 (58%) Commonwealth's payroll to human resource systems exception reports tested did not contain documented evidence of proper review and approval.
- One of 27 (4%) DBHDS' time, attendance and leave system users tested had an access level provided by the facility that did not match their approved access form; however, the access was appropriate for the employee's job duties.

- Five of 80 (6%) employees tested in regular payroll and one out of 17 (6%) employees tested in pay changes had instances where the Payroll Department did not receive complete authorizing documentation containing required management signatures for all types of changes in pay.

CAPP Manual Topic 50505 states that agencies must verify that all source documents such as timecards, timesheets, or any other authorization used to pay or adjust an employee's pay have been properly completed, authorized by the appropriate party, and entered accurately into the Commonwealth's payroll system.

The Security Standard, Section AC-2-COV 2 e and f, requires the prompt removal of system access for terminated or transferred employees. The Security Standard, Section AC-2-COV 2 a, requires granting access to the system based on a valid access authorization. The Security Standard, Section AC-6, requires agencies to employ the principle of least privilege allowing only authorized access for users, which are necessary to accomplish assigned tasks in accordance with organizational missions and business functions.

Not having properly approved and authorized payroll forms increases the risk that DBHDS could pay unauthorized and/or incorrect salaries. Not removing access of terminated employees timely or having an employee with unapproved access increases the risk of unauthorized individuals inappropriately entering or approving transactions. Furthermore, it could compromise sensitive employee information. The lack of proper review of the Commonwealth's payroll to human resource systems exception reports and approval of changes made to clear exceptions could result in erroneous payments being made or payments that exceed classification limits.

These exceptions occurred because the individual facilities either did not have adequate policies and procedures for payroll forms or did not comply with established CAPP Manual guidance or internal policies and procedures for payroll forms. Additionally, the exceptions resulted from a lack of communication and understanding between personnel in the Human Resources and Payroll Departments.

Management across all DBHDS facilities, not just those tested, should evaluate and update policies and procedures to provide adequate guidance to ensure proper approval and completion of payroll forms and pay changes. Management should ensure that there is adequate communication between personnel in the Human Resources and Payroll Departments. In addition, Human Resource and Payroll Department personnel should ensure that they receive properly approved and completed payroll forms before processing pay changes. Management for all facilities should also remove all access, in a timely manner, for employees that terminated, resigned, or no longer need access. Lastly, management for all facilities should remove all access levels that do not match the employees' approved access form, or update the form if the level of access is necessary for the employees' job function.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-073: Comply with Employment Eligibility Requirements

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Individual facilities within DBHDS do not have sufficient processes and controls over the employment eligibility process. Human Resources Departments (Human Resources) at the facilities are not completing the Employment Eligibility Verification forms (Form I-9) in accordance with guidelines issued by the U. S. Citizenship and Immigration Services of the Department of Homeland Security. Additionally, Human Resources did not comply with E-Verify program requirements outlined within the Code of Virginia. During fiscal year 2018, we noted the following:

- Human Resources could not locate Form I-9 and E-Verify documentation for two out of 51 (4%) employees tested.
- Human Resources did not authorize seven out of 51 (14%) employees tested in the E-Verify system.
- Human Resources used an expired Form I-9 for one out of 51 (2%) employees tested.
- Fourteen of 51 (27%) employees tested did not sign Section 1 of the Form I-9 on or before the first date of employment.
- Three out of five (60%) facilities tested did not have written policies and procedures over employment eligibility.

The Immigration Reform and Control Act of 1986, requires that all employees hired after November 6, 1986, have a Form I-9 completed to verify both employment eligibility and identity. The U.S. Citizenship and Immigration Services sets forth federal requirements for completing the Form I-9 in the Handbook for Employers M-274. The Code of Virginia (§40.1-11.2) requires newly hired employees of all Commonwealth agencies to be enrolled in the E-Verify program. Not complying with federal and state statutes could result in substantial civil and/or criminal penalties and debarment from government contracts.

The issues listed above occurred because Human Resource employees at the facilities have not received proper training in this area. Management should provide adequate training to Human Resources staff on the proper completion of the Form I-9 and ensure that forms are properly completed

and retained in accordance with U.S. Department of Homeland Security guidelines. Additionally, management should ensure that there are written policies and procedures over employment eligibility.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-074: Comply with 1,508 Hour Rule for Wage Employees

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

DBHDS did not have adequate controls in place to ensure wage employees did not exceed 1,508 hours worked during the Commonwealth's Standard Measurement Period of May 1, 2017, through April 30, 2018. Three wage employees at the Hiram W. Davis Medical Center (Hiram W. Davis) and one wage employee at Central State Hospital (Central State) worked more than 1,508 hours, ranging between 1,546 to 1,718 hours, from May 1, 2017, to April 30, 2018. Both Hiram W. Davis and Central State did not have formal processes in place to monitor and track wage employees hours worked. As a result, management did not actively monitor and track those wage employees that exceeded the allowable hours worked threshold. Furthermore, staffing difficulties resulted in wage employees working excessive hours.

Chapter 1 §4-7.01 g. of the 2018 Virginia Acts of Assembly states that "State employees in the legislative, judicial, and executive branches of government, and the independent agencies of the Commonwealth, or an agency administering their own health plan, who are not eligible for benefits under the health care plan established and administered by the Department of Human Resource Management (DHRM) pursuant to *Code of Virginia* §2.2-2818, may not work more than 29 hours per week on average over a twelve month period." DHRM guidance for determining compliance with this requirement defines the Commonwealth's Standard Measurement Period as May 1 through April 30 of the following year. Working 29 hours per week over a 12-month period equates to 1,508 hours. Failure to comply with Chapter 1 of the 2018 Virginia Acts of Assembly subjects DBHDS to potential financial penalties for violation of the Federal Affordable Health Care Act by allowing workers to work over the threshold and not receive healthcare benefits.

Management should comply with Chapter 1 §4-7.01 g. of the 2018 Virginia Acts of Assembly and ensure wage employees do not exceed 1,508 hours worked during the Commonwealth's Standard Measurement Period. To ensure compliance with these requirements, both Hiram W. Davis and Central State should implement formal processes over monitoring and tracking hours for wage employees, and reinforce the importance of not exceeding the annual hour limit.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-075: Improve Controls Surrounding At-Will Employees

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

DBHDS' Human Resources does not ensure that they receive and maintain a written leave certification letter for their at-will employee stating that the employee has not exceeded their leave limit during the allotted time period. In addition, DBHDS was unable to provide documentation of the supervisor's approval of leave taken by the at-will employee during the allotted time period. At-will employees are individuals appointed by the Governor of Virginia, such as Cabinet members or agency heads.

The Commonwealth's Executive Leave Policy states that all at-will employees must obtain, in advance, proper approval from their supervisor before using any leave. Furthermore, it states that all at-will employees must certify, in writing, that they have not exceeded their established leave limit during the allotted time period. In addition, the agency's Human Resources Office must maintain this certification letter and make it available for review by the Auditor of Public Accounts.

Human Resources misunderstood the Executive Leave Policy requirements regarding leave certification letters and did not require the at-will employee to submit a leave certification letter. There is no documentation of supervisor approval of leave because the at-will employee's direct supervisor is no longer an employee at DBHDS Central Office; therefore, DBHDS cannot obtain support. Without maintaining the leave certification letter and supervisor's approval, DBHDS cannot provide assurance that the at-will employee complied with the provisions set forth within the Commonwealth's Executive Leave Policy.

Human Resources should ensure that their department and all at-will employees are familiar with requirements under the Commonwealth's Executive Leave Policy. Human Resources should ensure that their at-will employees annually submit a written certification letter establishing that they did not exceed their leave limits during the allotted time period. Additionally, Human Resources should maintain leave certification letters, and DBHDS should keep records of supervisor approval of leave.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-076: Continue to Strengthen Internal Controls over the Employee Separation Process

Applicable to: Department of Transportation

Prior Year Finding Number: 2017-071

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

In the past year, the Human Resources Division (Human Resources) at Transportation has started to strengthen internal controls over the employee separation process. However, Human Resources was not able to fully implement corrective actions and as a result, we identified the following six deficiencies, 24 percent, for the 25 employee separations that we sampled and tested:

- Human Resources was unable to provide a Separating Employee Checklist for one individual, four percent.
- Supervisors did not complete the Separating Employee Checklist on or before the employee's separation date for five individuals, 20 percent.

According to Human Resources' instructions for completing the Separating Employee Checklist, supervisors are required to complete the checklist on or before their separation date to ensure separating employees are returning property belonging to and money owed to Transportation. Human Resources was unable to fully implement corrective action during the period under review because of the amount of effort involved with correcting this issue.

In March 2018, Human Resources revised the Employee Separating Checklist and launched this along with a standard operating procedure outlining roles and responsibilities and the new procedure for collecting the checklists. This information was communicated to all Transportation supervisors and District Human Resources Managers following the rollout. In July 2018, Human Resources developed a scorecard to monitor and measure compliance with this policy. Finally, Human Resources developed an automated process of ensuring Separating Employee Checklists are uploaded to its document repository and is working to ensure that checklists are being completed for all separated employees.

Transportation employs over 8,000 employees and had over 600 separations during the period under review. Without effective oversight, it is difficult for Transportation to ensure that it is collecting property and money owed to Transportation from separating employees and disabling access to mission critical systems in a timely manner. Human Resources should continue its planned corrective action to strengthen internal controls over the employee separation process.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-077: Comply with Commonwealth Requirements for Wage Employees

Applicable to: Virginia Commonwealth University

Prior Year Finding Number: 2017-074

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

The University should improve its process for monitoring non-benefit employee work hours to ensure compliance with Chapter 2 §4-7.01g of the 2018 Special Session I Virginia Acts of Assembly and the Patient Protection and Affordable Care Act. The University had six non-benefit employees work more than 1,500 hours from May 1, 2017 to April 30, 2018 and exceeding this limit could bring penalties from the federal government for noncompliance.

The University is responsible for implementing policies and procedures to ensure employees who are not eligible for benefits do not work more than 29 hours per week on average over a twelve-month period. The University has policies and procedures in place to monitor this, but current procedures do not prevent departments from allowing an employee to exceed the 1,500 hour requirement.

To avoid penalty payments and ensure compliance with state and federal requirements, Human Resources should reinforce to departments and employees the importance of not exceeding 1,500 hours annually. Human Resources should continue its proactive measures, developed during this reporting period, to monitor hours worked by wage employees and projecting their hours through year end to ensure that they will not exceed the 1,500 hour limit. If an employee does reach the 1,500 hour limit, the individual should not be allowed to work again until the beginning of the next measurement period.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-078: Develop and Implement Policy for Monitoring Part-time Employee Hours

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Health does not adequately monitor employee hours to ensure part-time employees are limited to 1,508 hours annually. For the look-back period from May 1, 2017, through April 30, 2018, the agency had five part-time employees with more than 1,508 hours worked in the period. Although Health has procedures to generate monthly monitoring reports, these procedures and the monitoring process need to be strengthened in several areas.

The Affordable Care Act limits the maximum number of hours employers can allow part-time employees to work to 29 hours weekly or 1,508 hours annually. Additionally, for certain Commonwealth employees, Chapter 1 §4-7.01 g. of the 2018 Virginia Acts of Assembly states that they may not work more than 29 hours per week on average over a twelve-month period. Since Health has over 700 part-time employees, it is critical that the agency effectively and efficiently monitor hours worked for these employees. By allowing a part-time employee to work over the 1,508-hour limit, Health may be required to incur the costs of providing benefits to part-time employees meant for full-time employees and the agency can be subject to any related penalties.

There are multiple factors contributing to this issue. First, Health's payroll department does not post monthly monitoring reports timely. As an example, the report for March 2018 was not posted until the end of May 2018. Also, Health does not have a procedure in place for the payroll department to notify managers when the report is available. Lastly, there are no procedures that require the responsible supervisors to review the reports to ensure compliance with the 1,508-hour rule.

Health should strengthen policies and procedures related to the monitoring of part-time hours. Health should have a procedure to require managers to review the monitoring reports generated by the payroll department. It is imperative that district managers maintain an awareness of their part-time employees' total hours worked for the year. In addition, the payroll department should be required to post the monitoring reports timely and communicate the report posting to allow district managers ample time for review prior to creating future work schedules.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

PROCUREMENT AND STATEMENT OF ECONOMIC INTERESTS

2018-079: Ensure all Nonexempt Active Vendors in the Commonwealth's Accounting and Financial Reporting System have a Form W-9

Applicable to: Department of Accounts

Prior Year Finding Number: 2017-079

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

Accounts' Commonwealth Vendor Group (CVG) is making progress to address a weakness communicated in our prior year report related to CVG not having Form W-9s for all nonexempt active vendors in the Commonwealth's accounting and financial reporting system. As Accounts' corrective action remained ongoing through fiscal year 2018, Auditors found 41 percent of vendors tested in the current year did not have a Form W-9 on record within the system.

Not having Form W-9 on file for all nonexempt vendors in the system could result in agencies reporting inaccurate or incomplete tax information on Form 1099-MISC. Additionally, lack of Form W-9s contributes to CVG not being able to definitively determine if vendors with the same name or Tax Identification Number represent duplicate vendors within the system. Prior to the establishment of Accounts' CVG, the Virginia Department of Transportation added vendors in Cardinal.

In 2015 and 2018, Accounts performed mass mailings to active vendors in the system, requesting Form W-9s. Additionally, during October 2018, Accounts deactivated active vendors in the system where there was no record of payment. Accounts further established a deadline of December 15, 2018 to deactivate all nonexempt active vendors who did not provide Form W-9s in response to Accounts' outreach efforts. The fiscal year 2019 audit will include an evaluation of Accounts corrective action and determine whether Accounts has satisfactorily resolved this weakness.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-080: Improve Controls over the Purchasing Process

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

One out of five facilities tested did not have proper controls in place over the purchasing process during fiscal year 2018. For five of 20 (25%) expenditures tested, Fiscal Services did not accurately record the goods or services receipt date in the Commonwealth's accounting and financial reporting system. Fiscal Services misunderstood the requirements for the good or services receipt date, using the invoice date or payment certification date instead of the date the goods or services were physically received.

The Procurement Department (Procurement) did not enter and receive confirming orders for six of 20 (30%) expenditures tested, which were for prescription drug and medical expenditures. Due to changes in procurement regulations, Procurement did not properly process these expenditures through the Commonwealth's purchasing system, as required, which is where approval usually occurs. However, management did ensure that they properly approved purchase requisitions for the prescription drug and medical expenditures.

The goods or services receipt date is a required field in the Commonwealth's accounting and financial reporting system. The good or services receipt date affects payment due dates and year-end payable accruals; therefore, it is essential that agencies accurately record the good or services receipt date.

Section 14.9 of the Agency Procurement and Surplus Property Manual requires the use of the Commonwealth's purchasing system for certain purchase transaction types. Procurement Information Memoranda 98-034 that became effective July 1, 2017, requires the use of the Commonwealth's purchasing system for purchases made under the Division of Purchases and Supply authorized multi-state drug contract. Without processing certain purchases through the Commonwealth's purchasing system, there is an increased potential for reduced transaction transparency, analysis, and reporting.

Management should ensure that the appropriate personnel in Fiscal Services understand and accurately record the good or services receipt date in the Commonwealth's accounting and financial reporting system. Management should ensure that personnel in Procurement remain well informed and knowledgeable on the latest updates to the procurement regulations. Furthermore, management should properly review and approve purchase orders.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-081: Ensure Employees Complete Required Conflict of Interest Training

Applicable to: Department of Medical Assistance Services

Prior Year Finding Number: 2017-081

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Medicaid Cluster - 93.775, 93.777, 93.778

Federal Award Number and Year: 1805VA5ADM, 1805VA5MAP - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Procurement and Suspension and Debarment - 2 CFR §200.317

Known Questioned Costs: \$0

Medical Assistance Services did not ensure employees completed the required conflict of interest orientation course within the timeframe outlined in the Code of Virginia. Specifically, 18 out of 128 (14%) employees who hold positions of trust did not complete the Conflict of Interest orientation course.

Pursuant to Code of Virginia §2.2-3128 through §2.2-3131, each state filer shall attend the orientation course within two months after he or she becomes a state filer and at least once during each consecutive period of two calendar years commencing on the first odd-numbered year thereafter. In addition, the Code of Virginia §2.2-3129 requires agencies to keep a record of attendance that includes the specific attendees, each attendee's job title, and the dates of attendance for a period of not less than five years after each course is given.

By not complying with these requirements, Medical Assistance Services could be susceptible to actual or perceived conflicts of interest that would impair, or appear to impair, the objectivity of certain decisions made by employees in positions of trust. Additionally, not completing the conflict of interest orientation course may prevent Medical Assistance Services employees from recognizing or properly disclosing a conflict of interest.

Although the Human Resources Division has developed and implemented policies and procedures to guide management through the SOEI process, Medical Assistance Services did not adequately monitor employees or hold them accountable for compliance with these policies and procedures.

The Human Resources Division should ensure compliance with its internal policy and the Code of Virginia by monitoring all employees designated in a position of trust to ensure they complete the required conflict of interest orientation course within two months of becoming a filer and once within each consecutive period of two calendar years thereafter. The Human Resources Division should also maintain a record of such attendance.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-082: Ensure Statement of Economic Interest Filers Complete Required Training

Applicable to: Department of Social Services

Prior Year Finding Number: 2017-082

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Social Services SOEI Coordinator is not ensuring that employees within a position of trust complete the required SOEI training every two years. Thirteen out of 31 filers (42%) did not complete the training in the past two years.

The Code of Virginia §2.2-3128 through §2.2-3131 requires that each SOEI filer complete Conflict of Interest Act training at least once every two years. This training is designed to help filers recognize potential conflicts of interest. As of December 1, 2015, the Council offers an orientation video on their website, which satisfies this requirement. Filers who register and watch the entire video get credit for taking the training.

Social Services does not ensure that its employees are completing the training as required and may be limited in its ability to hold its employees accountable for not knowing how to recognize a conflict of interest and how to resolve it. Additionally, filers could be subject to penalties for inadequate disclosure as outlined at §2.2-3120 through §2.2-3127.

Social Services' does not have written policies and procedures relating to SOEI training requirements. Additionally, Social Services' relies on an internal system to track and notify filers of the training requirement.

Social Services' should create, implement, and maintain written policies and procedures to meet Code of Virginia requirements for the SOEI training. These policies should incorporate guidance issued by the Commonwealth's Ethics Council. Additionally, as required by the Code of Virginia, the SOEI Coordinator should monitor all employees designated in a position of trust to ensure they complete the required training once within each consecutive period of two calendar years and maintain a record of such attendance.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

RETIREMENT SYSTEM MEMBER DATA

2018-083: Improve Controls over the Commonwealth's Retirement Benefits System

Applicable to: Department of Behavioral Health and Developmental Services

Prior Year Finding Number: 2017-077; 2016-068; 2015-081; 2014-063

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Individual facilities within DBHDS did not have adequate controls in place during fiscal year 2018 to ensure that retirement information for employees was accurate, specifically:

- One of five facilities tested (20%) did not perform a complete reconciliation of the credible compensation between the Commonwealth's human resource and retirement benefits systems.
- Three of five facilities tested (60%) did not have documented evidence of a reconciliation of the credible compensation between the Commonwealth's human resource and retirement benefits systems. As a result, these facilities did not perform a complete reconciliation prior to confirming the contribution.
- One of five facilities tested (20%) did not clear exceptions identified on the Commonwealth's human resource system cancelled records reports in a timely manner.
- Four of five facilities tested (80%) did not clear exceptions between the Commonwealth's payroll and retirement benefits systems in a timely manner, as identified on the Commonwealth's payroll system automated reconciliation reports.

- Two of twenty-one (10%) former Commonwealth retirement benefits system users tested at two facilities did not have their access removed timely (within 24 business hours). Removal for one user took over a year, and the other user still had access to the Commonwealth retirement benefits system as of June 2018.

CAPP Manual Topic 50410 states that agencies should perform a reconciliation of credible compensation between the Commonwealth's human resource and retirement benefits systems monthly before confirming the contribution. Further, CAPP Manual Topic 50410 requires agencies to promptly clear exception items identified on the Commonwealth's payroll system automated reconciliation reports. Improper reconciliation processes can affect the integrity of the information in the Commonwealth's retirement benefits system that determines pension liability calculations for the entire Commonwealth. Since the VRS actuary uses retirement benefits system data to calculate the Commonwealth's pension liabilities, inaccurate data could result in a misstatement in the Commonwealth's financial statements.

The Security Standard, Section AC-2, addresses requirements over account management practices for requesting, granting, administering, and terminating accounts. Specifically, it requires agencies to disable unneeded accounts in a timely manner. Delays in deleting access increases the risk of unauthorized use of the Commonwealth's retirement benefits system by terminated employees, which could result in unauthorized changes and could impair data integrity.

Individual facilities staff were unsure of how to perform several components of the reconciliation process; therefore, they did not perform pieces of the reconciliation process during the fiscal year. Due to turnover, facilities staff did not retain documentation that reconciliation to the Commonwealth's retirement benefits system occurred. Additionally, due to the lack of understanding of documentation requirements, facilities staff did not maintain documentation showing the clearing of exceptions from the Commonwealth's human resource system cancelled records reports and Commonwealth's payroll system automated reconciliation reports.

Management should ensure that individual facility staff are aware of monthly reconciliation requirements outlined within CAPP Manual Topic 50410 and that facility staff perform monthly reconciliations between the Commonwealth's human resource and retirement benefits systems. Facility staff should clear exceptions noted in the Commonwealth's human resource system cancelled records and the Commonwealth's payroll system automated reconciliation reports timely. In addition, facility staff should document and maintain supporting documentation evidencing the clearing of exceptions. Management should remove unneeded access to the Commonwealth's retirement benefits system in a timely manner, in accordance with the Security Standard.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-084: Document Retirement Benefits System Reconciliations

Applicable to: Department of Corrections - Central Administration

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

Corrections' Human Resources department (Human Resources) is not adequately documenting reconciliations between the human resources system and the retirement benefits system. While discussions with the Human Resources Manager and Senior Benefits Analyst indicate that employee changes are reconciled, there is no documentation to support the creditable compensation reconciliation. In addition, the Human Resources and the Payroll departments did not resolve exceptions identified in the monthly automated reconciliation process in a timely manner. Finally, Management has not finalized policies and procedures that address how to perform and document these reconciliations.

The Commonwealth Accounting Policies and Procedures Manual (CAPP Manual) Topic 50410 and the Virginia Retirement System Contribution Confirmation and Payment Scheduling Employer Manual require a creditable compensation and data elements reconciliation prior to certifying the snapshot confirmation. In addition, the CAPP Manual requires agencies to review and correct differences between the payroll system and retirement benefits systems.

The retirement benefits system contains essential retirement data for Corrections' employees and without maintaining the appropriate supporting documentation, Human Resources cannot provide assurance that employee records in the retirement benefits systems and human resources system are accurate. Additionally, a lack of policies and procedures increases the risk of inconsistency in completing the reconciliations.

Management has not approved the draft procedures developed by Human Resources. In addition, the draft procedures do not explicitly require a creditable compensation reconciliation. The unresolved issues in the monthly automated reconciliation process between the payroll system and the retirement benefits system were the result of the Human Resources not resolving discrepancies between the human resources system and retirement benefits systems prior to certifying the snapshot.

Management should finalize and implement policies and procedures to ensure compliance with the various requirements. Human Resources should create and retain reconciliation documentation. Furthermore, the Human Resources and Payroll departments should ensure that all discrepancies between the payroll system, retirement benefits system and human resources system are resolved timely.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-085: Improve Timeliness of the Commonwealth's Retirement Benefits System Reconciliation Process

Applicable to: Virginia Commonwealth University

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

The University is not performing reconciliations of the Commonwealth's retirement benefits system timely. During fiscal year 2018, the University confirmed ten out of 12 (83%) of the Commonwealth's retirement benefits system snapshots late, and submitted eight out of 12 (67%) payments after the due date. The Virginia Retirement System (VRS) Employer Manual states that at the end of each month, the employer is required to complete the contribution confirmation process by generating and confirming a snapshot. All employers are required to report employee activity for the month to VRS by the 10th of the following month. In addition, defined benefit retirement contributions and other ancillary benefits should be paid immediately following the confirmation, and must be paid on time and received by the 10th of the following month.

Confirming the snapshot late delays benefit processing and can result in errors due to incorrect or incomplete information. Additionally, according to the VRS Employer Manual and §51.1-146 of the Code of Virginia, employers who do not confirm the snapshot or pay contributions or insurance premiums on time may be assessed a penalty of 5 percent of the amount due, plus interest at the rate of 1 percent per month until the report is received and the payment is made.

To avoid penalties and ensure adherence with the VRS Employer Manual, the University should reinforce to both the Payroll Department and Benefits Department the guidance and deadlines set in place by the CAPP Manual and the VRS Employer Manual. In addition, the Payroll Department and Benefits Department should improve oversight of the employees completing this process and should consider whether their current process is the most effective for completing the confirmation and payment on time.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

THIRD-PARTY SERVICE PROVIDERS

2018-086: Review and Document Service Organization Control Reports of Third-Party Service Providers

Applicable to: Department of Human Resource Management

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

Human Resource Management does not have a sufficient process or formal policy for gaining assurance that third-party service providers have adequate controls related to financial processes and IT security. Human Resource Management outsources certain business tasks and functions to service providers who transmit, process, or store sensitive data and assets.

The Commonwealth Accounting Policies and Procedures Manual (CAPP Manual) Topic 10305 requires agencies to have adequate interaction with providers to appropriately understand the providers' internal control environment. Agencies must also maintain oversight over providers to gain assurance over outsourced operations. Additionally, Section 1.1 of the Security Standard states that agency heads remain accountable for maintaining compliance with the Security Standard for information technology equipment, systems, and services procured from providers, and that agencies must enforce the compliance requirements through documented agreements and oversight of the services provided.

Service Organization Control Reports (SOC reports) provide an independent description and evaluation of the provider's internal controls. Without a formal process for obtaining, reviewing and documenting SOC reports, Human Resource Management cannot ensure that providers' controls are designed, implemented, and operating effectively. Although Human Resource Management maintains a high degree of interactions with most of its providers, management is increasing the Commonwealth's risk that it will not detect a weakness in a provider's environment, which could negatively impact the Commonwealth and its employees.

Based on the testwork we performed, Human Resource Management received six separate SOC reports related to the various service providers; however, there is no documentation related to a review for four of the SOC reports received. Human Resource Management has not allocated proper resources to developing and implementing policies and procedures to review, assess, and document the effectiveness of provider controls reported through SOC reports.

Human Resource Management should develop and implement policies and procedures to obtain, review, assess, and document the effectiveness of provider controls reported through SOC reports. In addition, Human Resource Management should use SOC reports as a component of its oversight activities over its providers to confirm they comply with the requirements outlined in the Security Standard, CAPP Manual, and industry best practices. If the SOC reports detail complementary controls, Human Resource Management should ensure that these controls are documented and implemented at the agency. If control deficiencies are identified in SOC reports, Human Resource Management should

determine if additional controls can be implemented at the agency to mitigate the risk until the provider corrects the deficiency. Finally, Human Resource Management should review existing contracts and service provider agreements to determine if additional SOC reports should be obtained.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

OTHER GRANTS MANAGEMENT

2018-087: Improve Controls over Income Verification for the Temporary Assistance for Needy Family Program

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Material Weakness

CFDA Title and CFDA #: TANF Cluster - 93.558, 93.714

Federal Award Number and Year: 1801VATANF - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 45 CFR §205.55

Known Questioned Costs: \$0

Social Services does not have a control in place to ensure the Income Eligibility and Verification System (IEVS) is used when determining eligibility for TANF participants. During our review of TANF cases, we determined that the use of IEVS was highly recommended to local agencies processing TANF applications, but not required. Additionally, during our review we noted that three out of 29 TANF (10%) cases selected for review did not have adequate support for the income verified manually.

45 CFR §205.55 requires agencies to collect income information through IEVS. Additionally, the TANF Manual created by Social Services and maintained on Social Services' webpage requires that the information received from IEVS or other system inquiry to be verified from an independent source, which can include pay stubs and written confirmation from source of income.

By not appropriately verifying income for TANF participants, Social Services cannot verify that participants in the TANF program have met all eligibility requirements. We consider this to be a material weakness as Social Services may have provided TANF benefits to ineligible recipients.

Due to the implementation of Social Services' new case management system, Social Services is not requiring local agencies to complete the income verification through the data match of IEVS. Social Services should require local agencies processing TANF applications to utilize IEVS for verifying income.

In addition, Social Services should implement a control to ensure that IEVS is utilized and that income verified through outside sources is documented and retained.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-088: Update the Work Verification Plan for the Temporary Assistance for Needy Family Program

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: TANF Cluster - 93.558, 93.714

Federal Award Number and Year: 1801VATANF - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 45 CFR §261.63(c)

Known Questioned Costs: \$0

Social Services did not update the work verification plan for the TANF program when Social Services implemented a new case management system. Social Services uses the case management system to mark work eligible participants, track the actual participation hours, and maintain the supporting documentation for this review. This information is determined and maintained by local Social Services employees. Without an up to date work verification plan, we could not determine that TANF cases were verified in accordance with the approved work verification plan.

45 CFR §261.63(c) requires agencies to submit for approval an amended work verification plan by the end of the quarter in which a procedure or internal control has changed relating to its' verification procedures. By not having an up to date work verification plan, it cannot be determined that Social Services complied with their approved work verification plan.

As agencies are not required to update the work verification plan on a regular basis after the initial plan is approved, Social Services did not update the work verification plan when the new case management system was implemented. Social Services should update the TANF work verification plan to reflect its current internal controls and submit the plan for approval.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-089: Improve Controls over Federal Performance Reporting

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: TANF Cluster - 93.558, 93.714

Federal Award Number and Year: 1801VATANF - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Reporting - 45 CFR §265.7(b)

Known Questioned Costs: \$0

Social Services does not have adequate controls in place to ensure accurate federal reporting for two TANF performance reports, the ACF-199 "TANF Data Report" and ACF-209 "SSP-MOE Data Report." These reports are submitted quarterly and utilize a recently implemented case management system to create the reports. During our review, we found two key line items, Receives Subsidized Child Care and Work Participation Status, were not reported according to information maintained in the case management system.

45 CFR §265.7(b) requires states to have complete and accurate reports which means that the reported data accurately reflects information available in case records, data is free of computational errors, and are internally consistent. Reporting potentially inaccurate or incomplete information prevents the U.S. Department of Health and Human Services' Division of Administration for Children and Families from adequately monitoring Social Services' work participation rates and overall performance for the TANF program. In addition, if Social Services is found to not be meeting minimum work participation rates, a penalty of up to 21 percent of the awarded grant can be assessed.

These reporting errors can be attributed to conversion issues from legacy systems into the new case management system as well as implementation difficulties with the new system. Social Services should continue working with their Division of Enterprise Systems to correct system deficiencies to ensure all information submitted in federal reports is accurate.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-090: Obtain Federal Authorization before Deviating from Cash Management Requirements

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: TANF Cluster - 93.558, 93.714

Federal Award Number and Year: 1801VATANF - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Cash Management - 2 CFR §200.305

Known Questioned Costs: \$0

In response to the threat of federal government shutdown, Social Services drew down approximately \$21.6 million dollars in excess federal funds in January 2018, which were not disbursed immediately. Social Services contacted the U.S. Department of Health and Human Services requesting guidance prior to the drawdown, but the U.S. Department of Health and Human Services did not give explicit written permission to draw down excess funds.

The Cash Management Improvement Act requires Social Services to draw down funds based on prescribed funding techniques to limit the amount of time between the draw down and use of those funds. By drawing down and holding funds rather than disbursing them, Social Services could earn interest on the funds which creates a liability for the Commonwealth.

While Social Services materially complied with the Cash Management Improvement Act, Social Services made a management decision to draw down additional funds to ensure operations would continue in the event funds would not be available from the federal government during a shutdown. In the future, Social Services should obtain explicit consent from the Federal government when deviating from cash management requirements.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-091: Improve Controls over Federal Reporting

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: SNAP Cluster – 10.551, 10.561

Federal Award Number and Year: 18VA35055192501 - 2018

Name of Federal Agency: U.S. Department of Agriculture

Type of Compliance Requirement - Criteria: Reporting - 7 CFR §273.18(m)

Known Questioned Costs: \$0

Social Services does not have adequate controls in place to ensure accurate federal reporting on the FNS-209 “Status of Claims Against Households” Report (FNS-209). This report is submitted quarterly and utilizes a recently implemented case management system to create the report. During our review, Social Services was unable to provide documentation validating some lines on the FNS 209 report for the first and second quarter of the federal fiscal year. Social Services has been using manual processes to adjust data obtained from the system; however, this process could not be reproduced for our review. Social Services’ Finance Division and Division of Enterprise Systems have been working with the Department of Food and Nutrition Services (FNS) to address the system deficiencies. These system deficiencies can be attributed to conversion issues from legacy systems into the new case management system as well as implementation difficulties. Additionally, Social Services does not have policies and procedures for completing this report.

7 CFR §273.18 (m) requires agencies to maintain a system for monitoring recipient claims against households that maintains claims records and corresponding receivable information. The system must also be able to produce summary reports and reconcile to supporting records. Reporting potentially inaccurate or incomplete information prevents FNS from adequately monitoring the status of claims against households. Additionally, using manual processes for federal reporting is inefficient and has a higher risk for errors.

Social Services should continue working with their Division of Enterprise Systems and FNS to correct system deficiencies to ensure all information submitted in federal reports can be sufficiently validated. Social Services should also create procedures over the reporting process to ensure accurate reporting of claims against households.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-092: Improve Process and Controls over Subrecipient Monitoring

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - 10.561, Temporary Assistance for Needy Families - 93.558, Low-Income Home Energy Assistance - 93.568, Medical Assistance Program - 93.778

Federal Award Number and Year: Various - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Subrecipient Monitoring - 2 CFR §200.501 (a-b)

Known Questioned Costs: \$0

Social Services Division of Community and Volunteer Services (Volunteer Services) is not consistently monitoring subrecipients in accordance with federal requirements. Since January of 2018, Volunteer Services has not been monitoring subrecipients to ensure that federal funds passed through to them are audited as required. In addition, Volunteer Services has not reviewed audit reports to determine if management decisions should be issued as required.

According to 2 CFR 200.331(d), pass-thru entities are required to monitor fiscal and performance reports and must verify that every subrecipient is audited as required. Per 2 CFR 200.501(a-b), a non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year.

Volunteer Services is unable to provide assurance that audits are performed for all subrecipients expending \$750,000 or more from January of 2018 to present. Without this assurance Volunteer Services is unable to show it is completely meeting audit requirements of 2 CFR part 200, subpart F., which includes: that the required audits are completed within nine months of the end of the subrecipient's audit period; issuing a management decision on audit findings within six months after receipt of the subrecipient's audit report; and ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings.

Volunteer Services had a key employee retire in January of 2018, without ensuring all job duties were delegated to an appropriate successor. Our review determined a successor has been named and is waiting on approval from Human Resources to begin monitoring subrecipients for the required audits.

Volunteer Services should ensure that subrecipients are monitored in accordance with all federal requirements. Volunteer Services should also have succession plans in place to ensure that key activities continue when there is turnover.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-093: Ensure that Subrecipient Reviews Adhere to Monitoring Plan

Applicable to: Department of Social Services

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - 10.561, Temporary Assistance for Needy Families - 93.558, Low-Income Home Energy Assistance - 93.568, Medical Assistance Program - 93.778

Federal Award Number and Year: Various - 2018

Name of Federal Agency: U.S. Department of Health and Human Services

Type of Compliance Requirement - Criteria: Subrecipient Monitoring - 2 CFR §200.331 (d)

Known Questioned Costs: \$0

Social Services is not adhering to the established approach for monitoring subrecipients. Volunteer Services was unable to produce quarterly reports used to brief executive management on Volunteer Services' subrecipient monitoring activities for each division within Social Services. Further, we noted that Social Services' Division of Benefit Programs (Benefit Programs) is not consistently adhering to the established monitoring plan when monitoring subrecipients. It was determined that not all local consultants tasked with subrecipient reviews are utilizing the same required tools and reports in their subrecipient monitoring process.

2 CFR 200.331(d) requires pass through entities to monitor the activities of subrecipients as necessary to ensure that the sub-award is meeting grant requirements. To aid in this process and mitigate risk, Social Services develops annual monitoring plans which outline the review process and reports the results of the reviews to executive management quarterly.

Without providing reports to executive management, we are not able to determine if Volunteer Services is assessing each of their division's completed subrecipient reviews and if executive management is acting upon possible deviations. Additionally, the lack of consistency in Benefit Programs following their monitoring plan furthers the possibility of monitoring reviews not meeting the necessary requirements set forth in the noted criteria.

Both Volunteer Services and Benefit Programs have had turnover in key positions resulting in lack of understanding in program requirements and processes performed to monitor subrecipients. With regard to Benefit Programs, we noted that not all consultants are following the same guidelines set forth

in the fiscal year 2018 Monitoring Plan. Specifically, local consultants are not consistently using the monitoring tools that Benefit Programs requires.

Social Services should ensure that all Divisions are adhering to the established approach for monitoring subrecipients. Specifically, Volunteer Services should work to ensure progress reports are provided to executive management for review and monitoring of subrecipients. Further, Benefit Programs should ensure that all consultants are performing reviews as outlined in the monitoring plan.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-094: Comply with Federal Requirements over High-Risk Vendors

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: WIC Special Supplemental Nutrition Program for Women, Infants, and Children - 10.557

Federal Award Number and Year: 171VA707W1003 - 2017

Name of Federal Agency: U.S. Department of Agriculture

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 7 CFR §246.12(j)(3)

Known Questioned Costs: \$0

Family Health does not follow the required process for identifying high risk vendors for the WIC program. Family Health has adopted a different approach which they believe is more effective; however, they did not obtain approval from the U.S. Department of Agriculture (USDA) as required.

Pursuant to 7 CFR §246.12(j)(3), state agencies must identify high-risk vendors at least once a year using criteria developed by the USDA's Food and Nutrition Service (FNS) and/or other statistically-based criteria developed by the State agency. All State agency-developed criteria must be approved by FNS.

Family Health is required to identify and investigate all high-risk WIC vendors on an annual basis. This targeted approach to vendor monitoring allows them to focus on vendors who are most likely to be non-compliant with WIC program regulations, or to commit fraud. Statistically-based criteria provide an objective, data-driven approach for vendor monitoring. Not using such criteria weakens the monitoring practices and Health's stewardship over federal funds.

Family Health adopted another approach because they believe the USDA-established statistical criteria are outdated and not relevant to current operations. If Family Health elects to use an alternative approach, Family Health should identify and document their criteria for identifying high-risk vendors and

obtain approval from USDA. This will bring them into compliance and will allow more robust, risk-based monitoring over WIC vendors.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-095: Improve Controls over WIC Information System Access

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: WIC Special Supplemental Nutrition Program for Women, Infants, and Children - 10.557

Federal Award Number and Year: 171VA707W1003 - 2017

Name of Federal Agency: U.S. Department of Agriculture

Type of Compliance Requirement - Criteria: Eligibility - N/A

Known Questioned Costs: \$0

Family Health performs a monthly review of WIC eligibility system access; however, their policy does not require Local Health Departments (LHD) to respond to the review if no changes are required. Consequently, there is no way to confirm if the LHD has performed the required review. In addition, Family Health has no formal process in place for granting or managing WIC Electronic Benefit Transfer (EBT) system access. This system is managed by a third party, but Health employees have read-only access to the system.

The Security Standard, Section AC-2 Account Management, requires that agencies review system accounts for compliance with account management requirements at least annually. Additionally, best practice indicates that agencies should maintain internal controls over the granting and removing of access to critical systems.

The lack of a positive confirmation of the review weakens the control because LHDs are not required to confirm that access is reasonable. This reduces Family Health's control over WIC eligibility determinations, which could result in benefit payments to ineligible individuals. Also, without a sound process to manage access to the WIC EBT system, Health does not have assurance that only authorized employees have system access.

Family Health's policies and procedures over monthly WIC eligibility system access reviews are not adequately designed. Family Health has not developed formal policies and procedures for managing WIC EBT system access.

Family Health should ensure system access management procedures are designed to provide adequate internal controls over critical WIC systems. At a minimum, they should require confirmation by each LHD that the monthly system access review is complete and accurate. Monthly reviews of other critical systems are managed and reviewed by Health's Office of Information Management (OIM) for all departments and LHDs. Family Health should consider having OIM include the WIC system access confirmation as part of these monthly certifications.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-096: Retain Documentation of WIC Financial Eligibility

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: WIC Special Supplemental Nutrition Program for Women, Infants, and Children – 10.557

Federal Award Number and Year: 171VA707W1003 - 2017

Name of Federal Agency: U.S. Department of Agriculture

Type of Compliance Requirement - Criteria: Eligibility - 7 CFR §246.7(d)(2)(v)

Known Questioned Costs: \$0

LHDs do not consistently retain adequate documentation to support income eligibility for participants in the WIC program. LHDs did not retain adequate documentation of income eligibility determinations for six of 50 WIC participants (12%). Four of these participants were Medicaid eligible, but LHD staff did not retain documentation for the eligibility verification required for Medicaid recipients.

Pursuant to 7 CFR §246.7(d)(2)(v), WIC Applicants must provide documentation to show that they are income eligible to receive WIC benefits. While Federal regulations for WIC do not require retention of copies of this documentation, Family Health's internal WIC Policy CRT 05.2.1, Proof of Income, requires retention of documentation used to determine income eligibility. The lack of supporting documentation increases the chance that LHD employees will certify participants who do not meet the federal requirements for participation in WIC.

While Family Health's policies and procedures require document retention of proof of eligibility, they do not clearly designate what documentation LHD staff should retain, particularly when income eligibility is based on Medicaid participation. LHD staff do not always maintain evidence showing they verified an applicant was a current Medicaid participant. In addition, LHD staff are able to automatically

confirm Medicaid participation using an electronic match feature within the WIC eligibility system; however, LHD Staff do not consistently use this feature.

Family Health should clarify policies and procedures to ensure LHD staff understand financial eligibility documentation requirements. At a minimum, they should include the types of documentation required and retention policy for each type of applicant. In addition, Family Health should encourage LHDs to use the electronic verification process thus eliminating the need to maintain documentation.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-097: Ensure Adequate Separation of Duties when Certifying WIC Participants

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: WIC Special Supplemental Nutrition Program for Women, Infants, and Children - 10.557

Federal Award Number and Year: 171VA707W1003 - 2017

Name of Federal Agency: U.S. Department of Agriculture

Type of Compliance Requirement - Criteria: Eligibility - 7 CFR §246.4(a) (27)

Known Questioned Costs: \$0

LHDs do not consistently follow procedures for separation of duties exceptions when certifying participants for WIC. LHDs did not follow procedures for documenting exceptions for four out of 50 (8%) instances where the same LHD staff determined eligibility and issued food benefits.

Pursuant to 7 CFR §246.4(a) (27), Health must maintain policies and procedures prohibiting one employee from both determining eligibility and issuing food benefits for the same participant. These policies and procedures must provide alternative procedures when it is unfeasible to maintain this separation of duties. Family Health's internal WIC Policy ADM 06.0 prohibits the same individual from determining a participant's income eligibility and issuing food benefits to them on the same day. When operations require that one individual perform both of these tasks, the staff must document the exception in a log maintained at the local clinic. LHD directors must review these logs quarterly, and ensure they are complete.

LHD staff do not consistently complete the segregation of duties exception report. Without adequate separation of duties and supervisory review, there is an increased risk that a staff member could certify and provide fraudulent benefits. Family Health should ensure that LHD directors and staff

follow all eligibility procedures. LHD staff should document all segregation of duties exceptions in the required log, and supervisors should review the log to ensure it is complete.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-098: Comply with Virginia Administrative Code Requirements for Above-50-Percent Vendors

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: WIC Special Supplemental Nutrition Program for Women, Infants, and Children - 10.557

Federal Award Number and Year: 171VA707W1003 - 2017

Name of Federal Agency: U.S. Department of Agriculture

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 7 CFR §246.12

Known Questioned Costs: \$0

Family Health does not follow the Virginia Administrative Code requirements for monitoring WIC retailers. Family Health is not performing a review of newly authorized retailers after six months to evaluate above 50 percent status. Above 50 percent vendors are retailers who derive more than 50 percent of their annual food sales from WIC benefits.

While federal regulations allow states to have vendors who earn more than 50 percent of their annual food sales from WIC sales, Virginia has elected to prohibit 50 percent vendors entirely. The Administrative Code (§12VAC5-195-310) prohibits Virginia WIC Vendors from being or becoming 50 percent WIC vendors. To ensure compliance with this state requirement, 12VAC5-195-310 requires a review of newly authorized WIC vendors for above 50 percent status after six-months in the WIC program. If it is determined that a retailer is an above 50 percent vendor, Family Health must remove the retailer from the WIC program. By not performing a six-month review as required, there is an increased risk that a vendor will reach the above 50 percent level and Family Health will not be aware of this in a timely manner.

Family Health considers it highly unlikely that an authorized WIC vendor will become an above 50 percent vendor. Therefore, they only perform an annual review based on a vendor report provided by USDA. Family Health also has other procedures in place to help minimize the likelihood of an above 50 percent vendor being in the program. Lastly, noncompliance with the Administrative Code requirements is also due to the lack of staff training on the requirements.

Family Health management should ensure staff are knowledgeable about and comply with specific requirements for the WIC program as set out in the Administrative Code. Family Health is in the process of updating the Administrative Code and should evaluate their policies and procedures for complying with the above 50 percent requirement as part of that process.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-099: Develop Procedures to Ensure Price Limits Are Accurately Recorded

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: WIC Special Supplemental Nutrition Program for Women, Infants, and Children - 10.557

Federal Award Number and Year: 171VA707W1003 - 2017

Name of Federal Agency: U.S. Department of Agriculture

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 7 CFR §246.4(a)(xvi)

Known Questioned Costs: \$0

Family Health does not have a process in place to ensure maximum prices for WIC food items agree to the limits they approve. The daily file transmitted to the EBT vendor included maximum prices for yogurt of \$128-\$320 per container although the maximum prices in the WIC eligibility system were approximately \$4 per unit.

Pursuant to 7 CFR §246.4(a)(xvi), Family Health must establish allowable reimbursement levels for WIC food benefits and ensure compliance with the price limitations applicable to the vendor when processing benefit redemptions. By not ensuring the proper maximum price limits are in place, there is the risk vendors can charge unreasonably high prices for food benefits. Review of benefit redemption data during fiscal year 2018 indicated that this deficiency did not result in any excessive vendor charges.

Family Health staff approve maximum price limits on a weekly basis. Family Health added yogurt as a new food benefit during the audit period, but did not ensure the product's maximum price limits were correctly entered in the system. As a result, the WIC eligibility system transmitted erroneous price limits to the EBT processor. Family Health does not have controls in place to review the data actually sent to the EBT vendor.

Family Health should ensure maximum price limits are properly entered into the system and transmitted to the EBT vendor. This will help to ensure the maximum price limits are enforced as required.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

STUDENT FINANCIAL ASSISTANCE

Finding 2018-101, 2018-102, and 2018-103 each represent a compliance finding that could be material to the basic financial statements for only the entities listed below and are required to be reported under Government Auditing Standards. Additionally, these findings relate to federal awards for these entities and other entities that are not material to the basic financial statements. As a result, the details of these findings are reported within “Section 3: Federal Award Findings and Questioned Costs” of the Schedule of Findings and Questioned Costs.

2018-101: Improve Compliance over Enrollment Reporting

Applicable to: University of Virginia-Academic Division, Virginia Commonwealth University, Virginia Polytechnic Institute and State University

2018-102: Properly Process Return of Title IV Calculations

Applicable to: University of Virginia-Academic Division

2018-103: Improve Notification of Awards to Students

Applicable to: University of Virginia-Academic Division

SCHEDULE OF FINDINGS AND QUESTIONED COSTS SECTION 3: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

- 2018-017:** Continue Improving the Accounts Receivable Collection Process
- 2018-025:** Improve IT Risk Management and Contingency Planning Program
- 2018-040:** Remove Access to the Claims Processing System in a Timely Manner
- 2018-042:** Remove Separated Employees' Access to Critical Systems in a Timely Manner
- 2018-054:** Develop Records Retention Requirements and Processes for Case Management System Electronic Records
- 2018-058:** Continue Improving Database Security
- 2018-081:** Ensure Employees Complete Required Conflict of Interest Training
- 2018-087:** Improve Controls over Income Verification for the Temporary Assistance for Needy Family Program
- 2018-088:** Update the Work Verification Plan for the Temporary Assistance for Needy Family Program
- 2018-089:** Improve Controls over Federal Performance Reporting
- 2018-090:** Obtain Federal Authorization before Deviating from Cash Management Requirements
- 2018-092:** Improve Process and Controls over Subrecipient Monitoring
- 2018-093:** Ensure that Subrecipient Reviews Adhere to Monitoring Plan

Each of the findings referenced above represents a compliance finding that could be material to the basic financial statements and are required to be reported under Government Auditing Standards. These findings relate to both the financial statements and federal awards. The details of these findings are reported within "*Section 2: Financial Statement Findings*" of the Schedule of Findings and Questioned Costs.

U.S. DEPARTMENT OF AGRICULTURE

- 2018-026:** Improve Web Application Security
- 2018-051:** Perform Review of Service Organization Control Reports for Third-Party Service Providers
- 2018-091:** Improve Controls over Federal Reporting
- 2018-094:** Comply with Federal Requirements over High-Risk Vendors
- 2018-095:** Improve Controls over WIC Information System Access
- 2018-096:** Retain Documentation of WIC Financial Eligibility
- 2018-097:** Ensure Adequate Separation of Duties when Certifying WIC Participants
- 2018-098:** Comply with Virginia Administrative Code Requirements for Above-50-Percent Vendors
- 2018-099:** Develop Procedures to Ensure Price Limits Are Accurately Recorded

Each of the findings referenced above represents a compliance finding that could be material to the basic financial statements and are required to be reported under Government Auditing Standards. These findings relate to both the financial statements and federal awards. The details of these findings are reported within "*Section 2: Financial Statement Findings*" of the Schedule of Findings and Questioned Costs.

2018-100: Ensure Timely Subrecipient Monitoring

Applicable to: Department of Health

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: WIC Special Supplemental Nutrition Program for Women, Infants, and Children - 10.557

Federal Award Number and Year: 171VA707W1003 - 2017

Name of Federal Agency: U.S. Department of Agriculture

Type of Compliance Requirement - Criteria: Subrecipient Monitoring - 2 CFR §200.332

Known Questioned Costs: \$0

Health's Office of Family Health Services (Family Health) did not issue a management decision regarding a subrecipient's audit finding timely in accordance with federal requirements. Family Health issued its management decision eleven months after the subrecipient's audit report.

Pursuant to the Code of Federal Regulations (CFR) 2 CFR §200.332 a federal pass-through entity must issue a management decision within six months of the audit report in response to any audit finding that pertains to its subrecipients' use of pass-through funds. This serves as a follow-up procedure to ensure the subrecipient adequately resolves the non-compliance. By delaying this communication, Family Health increases the risk that the subrecipient will not correct its non-compliance.

Family Health's Grants Compliance Manager position was vacant during the period under audit. This position is responsible for completing Family Health's subrecipient monitoring evaluations and decision letters. Given this situation, Family Health issued all management decision letters at once in October of 2017. To comply with federal requirements, Family Health should reassign responsibilities as necessary during extended staff vacancies. Family Health should prioritize federal compliance requirements when distributing temporary responsibilities.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

U.S. DEPARTMENT OF EDUCATION

2018-101: Improve Compliance over Enrollment Reporting

Applicable to: Central Virginia Community College, George Mason University, James Madison University, Norfolk State University, Northern Virginia Community College, Old Dominion University, Paul D. Camp Community College, Radford University, Tidewater Community College, University of Virginia-Academic Division, Virginia Commonwealth University, Virginia Polytechnic Institute and State University, Virginia State University

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Student Financial Assistance Programs Cluster – 84.063, 84.268

Federal Award Number and Year: Various based on institutions listed above - 2018

Name of Federal Agency: U.S. Department of Education

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 34 CFR §685.309(b)(2), 34 CFR §690.83(b)(2)

Known Questioned Costs: \$0

The following institutions did not properly report enrollment changes to the U.S. Department of Education using the National Student Loan Data System (NSLDS) in accordance with 34 CFR §685.309 and the NSLDS Enrollment Guide for students that had withdrawn and/or graduated.

Central Virginia Community College did not report an accurate effective date for ten out of 32 students tested (31%) and did not report student status changes timely for six students (18%). The underlying cause of the noncompliance is indeterminate and will require additional research.

George Mason University reported incorrect enrollment statuses for two out of 30 students tested (7%), inaccurate effective dates for three students (10%), and did not report student status changes timely for two students (6%). There are various underlying causes for the noncompliance that will require the University's individual attention.

James Madison University did not report an accurate effective date for 12 out of 12 (100%) retroactive withdrawals. There were only 12 retroactive withdrawals for the entire University. By the time the Dean of Student's Office reported the retroactive withdrawals to the Registrar's Office; the Registrar's Office had stopped reporting for that term and started reporting for the next term. This caused the student's withdrawal date to be reported as the end of the term instead of the actual withdrawal date.

Norfolk State University did not report an accurate enrollment status for 12 out of 40 students tested (30%), reported an inaccurate effective date for 27 students (69%), and did not report student status changes timely for 12 students (30%). The underlying cause of the noncompliance is indeterminate and will require additional research.

Northern Virginia Community College did not report an accurate enrollment status for two out of 55 students tested (4%), reported an inaccurate effective date for 12 students (22%), and did not report student status changes timely for 13 students (24%). The underlying cause of the noncompliance is indeterminate and will require additional research.

Old Dominion University did not report an accurate enrollment status for four out of 25 students tested (16%), reported an inaccurate effective date for 14 students (56%), and did not report student status changes timely for 14 students (56%). The underlying cause of these errors is indeterminate and will require additional research.

Paul D. Camp Community College did not report an accurate enrollment status for nine out of 19 students tested (47%), reported an inaccurate effective date for 10 students (52%), and did not report student status changes timely for six students (31%). The full cause of the noncompliance is indeterminate and will require additional research.

Radford University did not report an accurate enrollment status for three out of 37 students tested (8%), reported an inaccurate effective date for 15 students (41%), and did not report student status changes timely for six students (16%). The full cause of the noncompliance is indeterminate and will require additional research.

Tidewater Community College did not report an accurate enrollment status for three out of 50 students tested (6%), reported an inaccurate effective date for eight students (16%), and did not report a student status change timely for one student (2%). The cause appears to be the graduate file extracting incorrect enrollment data.

The University of Virginia did not accurately report the accurate effective date and did not report enrollment status changes timely for three out of 12 withdrawing students tested (25%). The University and auditor have different interpretations of the Code of Federal Regulations and the NSLDS Enrollment Reporting Guide with respect to the establishment of enrollment status effective dates. The University outlines its interpretation regarding the establishment of enrollment status effective dates as part of the University's response and intends to seek clarification regarding its interpretation from the U.S. Department of Education.

Virginia Commonwealth University did not report an accurate enrollment status for nine out of 50 students tested (18%), reported an inaccurate effective date for ten students (20%), and reported student status changes untimely for eight students (16%). There are various causes for the noncompliance that will require the University's individual attention.

Virginia Polytechnic Institute and State University did not report an accurate enrollment status for three out of 30 students tested (10%). The University reported the students with an enrollment status of withdrawn rather than graduated resulting in an inaccurate effective date and untimely reporting. The specific instances of noncompliance related to two students who earned dual degrees and one having a degree conferred after enrolling in and withdrawing from the subsequent term.

Virginia State University did not report an accurate enrollment status for one out of 25 students tested (4%), reported an inaccurate effective date for eight students (32%), and did not report student status changes timely for six students (24%). The full cause of the noncompliance is indeterminate and will require additional research and collaboration with the University's third-party servicer.

In accordance with Code of Federal Regulations, Title 34 CFR §685.309(b)(2), 34 CFR §690.83(b)(2), and as detailed in Dear Colleague Letter (DCL) GEN 12-06, unless the institution expects to submit its next student status confirmation report within 60 days, the institution must notify the U.S. Department of Education within 30 days of an enrollment change. Additionally, the NSLDS Enrollment Reporting Guide, published by the U.S. Department of Education, identifies specific parameters, which institutions must meet to achieve compliance with these reporting regulations.

Not properly and accurately reporting a student's enrollment status may interfere with establishing a student's loan status, deferment privileges, and grace periods. In addition, the accuracy of the data reported by each institution is vital to ensuring that Direct Loan records and other federal student records remain updated.

Each institution should evaluate their current enrollment reporting policies and procedures. Institutional management should enhance current policies and procedures and/or implement corrective action to prevent future noncompliance. Where applicable, management should also consider implementing a quality control review process to monitor the accuracy of campus and program-level batch submissions.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-102: Properly Process Return of Title IV Calculations

Applicable to: George Mason University, Norfolk State University, Old Dominion University, University of Virginia-Academic Division

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Student Financial Assistance Programs Cluster - 84.063, 84.268

Federal Award Number and Year: Various based on institutions listed above - 2018

Name of Federal Agency: U.S. Department of Education

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 34 CFR §668.22

Known Questioned Costs: \$0

The financial aid offices at the following institutions did not properly identify withdrawn students, accurately perform the Title IV return calculation, and/or return unclaimed federal aid for students who had officially or unofficially withdrawn from the institution in accordance with 34 CFR §668.22.

Code of Federal Regulations, Title 34 CFR §668.22, states when a recipient of Title IV grant or loan assistance withdraws from an institution during a period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date. Institutions not required to take attendance must determine the withdrawal date for a student who withdraws without providing notification to the institution no later than 30 days after the end of the earlier of the (i) payment period or period of enrollment; (ii) academic year in which the student withdrew; or (iii) educational program from which the student withdrew. Institutions must return unearned financial aid funds to the U.S. Department of Education no later than 45 days from the date that the institution had determined that the student had withdrawn. Volume 5 of the 2017-2018 Student Financial Handbook states that while determining the length of a scheduled break, the institution should determine the last day that the institution holds class before the scheduled break and consider the next day to be the beginning of the scheduled break.

George Mason University did not properly calculate the return of Title IV funds for the Spring 2018 semester. The underlying cause for the noncompliance is a miscalculation in the number of scheduled break days the regulations and U.S. Department of Education guidance documents require the institution to exclude from the calculation. The miscalculation of scheduled break days resulted in a net error amount of \$135.66.

For the Spring 2018 semester, Norfolk State University did not identify unofficial withdrawals timely and did not properly complete return of Title IV calculations. The Financial Aid Office identified 27 out of 32 students (32%) as potential unofficial withdrawals prior to the deadline; however, due to delayed correspondence with students, office personnel did not finalize withdrawal determinations until after the federally mandated deadline. Additionally, the financial aid office used an incorrect number of days in its calculation of aid earned by students prior to withdrawing from the institution during the Spring semester. The cause for the calculation errors was a result of a misinterpretation of the number of scheduled break days that regulations and U.S. Department of Education guidance documents require

the institution to exclude from the calculation. The miscalculation of scheduled break days resulted in a net error amount of \$3.37.

Old Dominion University did not properly calculate the return of Title IV funds for the Spring 2018 semester. The underlying cause for the noncompliance is a miscalculation in the number of scheduled break days the regulations and U.S. Department of Education guidance documents require the institution to exclude from the calculation. The miscalculation of scheduled break days resulted in a net error amount of \$282.74.

The University of Virginia's medical and law schools (the schools) did not promptly return Title IV funds within 45 days of the institution's determination that a student withdrew for four out of eight students (50%) that withdrew from these schools. Staffing limitations within these decentralized financial aid offices contributed to the delay in processing the returns.

Improperly identifying, calculating, and/or not returning unearned Title IV funds timely to the U.S. Department of Education may result in adverse actions and impact the institution's participation in Title IV programs. Each institution should review and enhance current return of Title IV policies and procedures. Management should implement corrective action to prevent future noncompliance.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-103: Improve Notification of Awards to Students

Applicable to: James Madison University, Norfolk State University, University of Virginia-Academic Division

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Student Financial Assistance Programs Cluster - 84.063, 84.268

Federal Award Number and Year: Various based on institutions listed above - 2018

Name of Federal Agency: U.S. Department of Education

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 34 CFR §668.165(a)

Known Questioned Costs: \$0

The following institutions did not properly provide loan borrowers with required written notification including details on timing and method of disbursement, borrower rights, and the procedures for notifying the institution of the desire to cancel the loan in accordance with 34 CFR §668.165 (a)(2).

Code of Federal Regulations, Title 34 CFR §668.165(a), requires institutions, prior to disbursing Title IV Higher Education Act Funds for any award year, to notify a student of the amount of funds that

the student or his or her parent can expect to receive under each Title IV Higher Education Act program, and how and when those funds will be disbursed. If those funds include Direct Loans or FFEL Program funds, the notice must indicate which funds are from subsidized loans and which are from unsubsidized loans. Additionally, 34 CFR §668.165 (3)(i – ii) indicates that for Direct Loans the institution must provide the notice in writing no earlier than 30 days before, and no later than 30 days after, crediting the student’s account at the institution, if the institution obtains affirmative confirmation and no later than seven days if the institution does not obtain an affirmative confirmation.

James Madison University personnel did not properly notify 25 out of 8,620 (0.3%) direct loan recipients. Business office personnel did not initiate a process that must run to generate the loan notifications, and as such, did not provide the required notifications to the affected students.

Norfolk State University was not able to provide sufficient audit evidence that the University provided all required elements of the award and/or disbursement notifications for 21 out of 25 (84%) of the students tested. The lack of notification documentation appears to relate to a programming error overwriting notification records.

The University of Virginia did not properly notify 499 out of 6,522 Direct Loan recipients (7.7%). A programming error did not capture certain types of loan disbursement transactions resulting in the improper notification to the students.

Not properly notifying students in accordance with Federal Regulations may result in adverse actions and impact the institution’s participation in Title IV programs. Additionally, improper notification could limit the amount of time a student or parent has to make an informed decision on whether to accept or reject a loan.

Each institution should review their current policies and procedures for providing notification to federal aid recipients. Corrective measures should be implemented to ensure that students are provided timely notifications, which include required elements.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-104: Improve Reporting to the Common Origination and Disbursement System

Applicable to: James Madison University, Virginia State University

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Student Financial Assistance Programs Cluster - 84.063, 84.268

Federal Award Number and Year: Various based on institutions listed above - 2018

Name of Federal Agency: U.S. Department of Education

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 82 FR 29062, 34 CFR §668.14(a)

Known Questioned Costs: \$0

The following institutions did not provide timely and/or accurate disbursement information to the Common Origination and Disbursement system (COD) in accordance with 34 CFR §668.14(a) and 82 FR 29062.

In accordance with 82 FR 29062, an institution must submit Federal Pell Grant and Direct Loan disbursement records no later than 15 days after making the disbursement or becoming aware of the need to adjust a student's previously reported disbursement. In accordance with 34 CFR §668.14(a), Title IV funds are disbursed on the date that the institution (a) credits those funds to the student's account in the institution's general ledger or any sub-ledger of the general ledger, or (b) pays those funds to the student directly. Title IV funds are disbursed even if the institution uses its own funds in advance of receiving program funds from the Secretary of Education.

James Madison University financial aid personnel did not report disbursements timely for 19 out of 45 students (42%). The underlying cause of the noncompliance appears to be the result of employee turnover.

Virginia State University financial aid personnel did not accurately report the disbursement date for four out of 30 (13%) of students tested. The underlying cause of the noncompliance is a result of a software defect currently under review.

Not submitting disbursement records within the required timeframe may result in the Secretary rejecting all or part of the reported disbursement. Noncompliance may result in an audit or program review finding or the initiation of an adverse action, such as a fine or other penalty. Management at each institution should review their current policies and procedures for submitting disbursement records and implement corrective action to prevent future noncompliance.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-105: Promptly Return Unclaimed Aid to the Department of Education

Applicable to: James Madison University

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Student Financial Assistance Programs Cluster - 84.063, 84.268

Federal Award Number and Year: Various based on institution listed above - 2018

Name of Federal Agency: U.S. Department of Education

Type of Compliance Requirement - Criteria: Special Tests and Provisions - 34 CFR §668.164(I)

Known Questioned Costs: \$0

James Madison University personnel did not return \$38,534 in unclaimed student financial aid funds to the U.S. Department of Education within the required timeframe for 28 of 252 (11%) students tested in accordance with 34 CFR §668.164(I).

In accordance with 34 CFR §668.164(I), if an institution attempts to disburse the funds by check and the check is not cashed, the institution must return the funds no later than 240 days after the date it issued that check or no later than 45 days after an electronic funds transfer (EFT) is rejected. By not returning funds timely, the institution is subject to federal non-compliance and potential adverse actions that may affect the University's participation in Title IV aid programs. Not performing due diligence activities timely can result in federal non-compliance and subject the institution to potential adverse actions and affect the institution's participation in Title IV programs. The underlying cause of the noncompliance appears to be the result of employee turnover.

Management should evaluate current policies and procedures for returning unclaimed Title IV funds and implement corrective action to prevent future noncompliance. In the event that the institution is unable to contact the federal aid recipient and the check remains uncashed or EFT is rejected, the institution should ensure that unclaimed funds are returned to the U.S Department of Education within the required timeframe.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-106: Establish and Implement Policies and Procedures over Federal Reporting

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Preschool Development Grants - 84.419

Federal Award Number and Year: S419B150010 - 2017

Name of Federal Agency: U.S. Department of Education

Type of Compliance Requirement - Criteria: Reporting - 2 CFR §200.302(b)(2)

Known Questioned Costs: \$0

Education did not report matching funds consistent with the instructions for the Annual Performance Report submitted to the U.S. Department of Education (ED) for Preschool Development Grants, CFDA 84.419. On page one of this report, Education reported state non-federal matching funds based on the state's fiscal year; however, the report's instructions require these amounts to be based on the budget period, which is a calendar year. Additionally, on page 65 of the same report, the instructions require Education to report total non-federal matching funds spent during current and prior fiscal years; however, Education used inconsistent reporting periods when accumulating information related to the state and the locality portion of matching.

Financial reports submitted to the federal government should be fairly presented in accordance with the governing requirements, which in this case would be ED's instructions for completing the Annual Performance Report for Preschool Development Grants. Not having documented policies and procedures can inhibit newer staff from understanding the reporting process and determining which reports must be used as support. Additionally, the risk of not detecting errors or inconsistencies between the information requested by and reported to the federal government increases.

According to the program office, no documented written policies or procedures for compiling the Annual Performance Report have been developed. Education relies on the form instructions to aid in completion of the report. Additionally, it is not common practice for Education to maintain supporting documentation used in compiling the Annual Performance Report. From the support that is maintained, we identified that it is not always vetted for accuracy prior to including it within the Annual Performance Report. Specifically, the program office obtains the state's portion of the match amount for each fiscal year from budget department emails, but does not reconcile amounts in those emails to the internal accounting system.

While we were able to reasonably conclude that the amounts reported within the Annual Performance Report were materially correct, Education must ensure that amounts within the report are consistent with the instructions and are properly supported. Education should also establish written policies and procedures over the Annual Performance Report so staff are aware of what financial reports are necessary, what documentation needs to be maintained, and which reporting periods are used for the different sections.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-107: Confirm that Subrecipients are not Suspended or Debarred

Applicable to: Department of Education, Central Office Operations

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Preschool Development Grants - 84.419

Federal Award Number and Year: S419B150010 - 2017

Name of Federal Agency: U.S. Department of Education

Type of Compliance Requirement - Criteria: Procurement and Suspension and Debarment - 2 CFR §200.213; Executive Orders 12549 and 12689; 2 CFR part 180

Known Questioned Costs: \$0

Education does not currently have a mechanism in place to confirm that subrecipients of the Preschool Development Expansion Grant (CFDA 84.419) are not suspended or debarred.

According to 2 CFR §200.213, non-federal entities are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

According to management, the only subrecipients of this grant are localities, which are local school divisions who receive numerous payments, both state and federal, from Education. Education has not previously considered that localities were “suspended or debarred” for federal grants as Education considers grants mutually exclusive and; therefore, believed all localities were eligible for Preschool Development Grants regardless of past performance on other grants.

If Education does not ensure that localities are not suspended or debarred, they will not be in full compliance with the federal requirements of the grant, which could affect eligibility in future years. While the risk associated with a locality being suspended or debarred is low due to the nature of the subrecipients being local governments, if any are suspended or debarred, they could receive payment from Education unjustly.

While the suspension and debarment risk is low for localities, Education still needs to implement a process to meet the related federal requirements. Education has the following three options from Appendix XI of 2 CFR Part 200 it should consider implementing to comply with the federal requirements:

- Check the Excluded Parties List Systems maintained by the U. S. General Services Administration for each entity;
- Collect a certification from each entity; or
- Add a clause or condition to the document governing the transactions with each entity stating that it is not suspended or debarred.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

U.S. DEPARTMENT OF HOMELAND SECURITY

2018-108: Continue to Strengthen Internal Controls over Time and Effort Reporting for Federal Grants

Applicable to: Department of Emergency Management

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Material Weakness

CFDA Title and CFDA #: Emergency Management Performance Grants - 97.042, Homeland Security Grant Program – 97.067

Federal Award Number and Year: EMP-2017-EP-00006-S01; EMW-2017-SS-00088-S01 - 2017

Name of Federal Agency: U.S. Department of Homeland Security

Type of Compliance Requirement - Criteria: Allowable Costs/Cost Principles - 2 CFR §200.303(a)

Known Questioned Costs: \$0

Emergency Management needs to continue strengthening its internal controls over time and effort reporting for federal grants to ensure salary allocations are adequately supported. Emergency Management continues to estimate how much of an employee’s salary will be supported with federal funds, but does not perform subsequent reviews to confirm the estimates are consistent with the actual work performed by the employee.

Emergency Management recently developed a policy that requires supervisors to certify their employees’ time allocations annually to confirm that the amount charged to federal grants is consistent with the effort actually spent on the projects or activities during the period; however, Emergency Management has not incorporated this policy into its current operations.

2 CFR §200.430(I)(1) requires the records supporting charges to federal awards be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated. Further, 2 CFR §200.430(I)(viii) requires the entity's system of internal

control to include processes to review after-the-fact interim charges made to a federal awards based on budget estimates and make adjustments to the final amounts charged to the federal award. Without performing after-the-fact reviews of budget estimates, Emergency Management cannot provide these reasonable assurances.

Emergency Management should promptly operationalize its policy given that federal grants support close to two thirds of payroll costs. While operationalizing its policy, Emergency Management should evaluate the policy to confirm that it is sufficient to address the related requirements. By implementing its policy, Emergency Management will be able to provide assurance that it has adequate internal controls in place to support payroll allocations.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-109: Strengthen Internal Controls over Journal Entries

Applicable to: Department of Emergency Management

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Material Weakness

CFDA Title and CFDA #: State and Local Implementation Grant Program – 11.549, Interagency Hazardous Materials Public Sector Training and Planning Grants – 20.703, Emergency Management Performance Grants - 97.042, Homeland Security Grant Program – 97.067

Federal Award Number and Year: EMP-2017-EP-00006-S01; EMW-2017-SS-00088-S01 - 2017

Name of Federal Agency: U.S. Department of Homeland Security

Type of Compliance Requirement - Criteria: Allowable Costs/Cost Principles - 2 CFR §200.303(a)

Known Questioned Costs: \$251,648 (11.549 – \$61,254, 20.703 - \$150,203, 97.042 - \$3,189, 97.045 - \$18,472, 97.029 - \$9,265, 97.039 - \$9,265)

Emergency Management needs to strengthen internal controls over journal entries. Thirteen of 52 (25%) journal entries tested did not include adequate documentation to support the nature of the entry. The majority of journal entries in question were processed to reallocate payroll costs between various funds and/or federal programs, but did not include adequate information to justify the reason for the change.

While Emergency Management has documented procedures for processing journal entries, their procedures do not include detailed information on what type of documentation needs to support the entry. We believe it is also likely the sheer volume of journal entry activity also contributed to this issue. Emergency Management processes a significant number of journal entries. While some entries are used

to correct errors made by newer staff, the majority of exceptions we found were related to transfers of payroll expenses that we believe are related to the agency's strained financial situation.

2 CFR §200.303(a) states that an entity must establish and maintain effective internal control over federal awards that provides reasonable assurance that the entity is managing the award in compliance with the federal statutes, regulations, and terms and conditions of the federal award. The lack of adequate supporting documentation could create questions as to whether the nature of the transaction is permissible and could lead to potential disallowed charges by the federal government. We estimate the known questioned costs for the thirteen journal entries to be approximately \$252,000. Questioned costs are costs that the auditor questions because the entity did not support the costs with adequate documentation at the time of the audit.

Emergency Management should strengthen its procedures over journal entries to ensure they include adequate supporting documentation. Additionally, Emergency Management should identify its significant journal entry types and develop procedures that specify what type of documentation is needed to support the entry. This will help Emergency Management ensure its journal entries are supported by an adequate system of internal control.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-110: Improve Controls over Payroll Adjustments

Applicable to: Department of Emergency Management

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Material Weakness

CFDA Title and CFDA #: Hazard Mitigation Grant – 97.039, Emergency Management Performance Grants - 97.042, Homeland Security Grant Program – 97.067

Federal Award Number and Year: EMP-2017-EP-00006-S01; EMW-2017-SS-00088-S01 - 2017

Name of Federal Agency: U.S. Department of Homeland Security

Type of Compliance Requirement - Criteria: Allowable Costs/Cost Principles - 2 CFR §200.430(I)(1)

Known Questioned Costs: \$464,392 (97.039 - \$147,140, 97.042 - \$21,142, 97.067 - \$278,646, 97.029 - \$14,910, 97.036 - \$2,554)

Emergency Managements needs to improve controls over payroll adjustments in the Commonwealth's accounting and financial reporting system, referred to as "speed type" adjustments. Emergency Management uses speed types as a mechanism to interface transactions between the Commonwealth's payroll system and Commonwealth's accounting and financial reporting system. Speed types convert unique account values in the payroll system to those generally accepted by the accounting and financial reporting system.

There were several unsupported differences between the Commonwealth's payroll system and the Commonwealth's accounting and financial reporting system that appear to be due to "speed type" adjustments. These differences occurred in 23 of 31 payrolls processed between July 2017 and April 2018 and affected various funds and programs. Due to the lack of documentation for these adjustments, we were not able to determine who approved these adjustments or if they were reasonable.

Emergency Management did not properly identify the risks associated with speed type adjustments and; therefore, did not have any policies and procedures over this process. In addition, we believe there are other factors contributing to the agency's need to process a significant number of payroll adjustments. These factors include the agency's strained financial position as well as the lack of a fully implemented time and effort process.

2 CFR §200.430(I)(1) states that charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed and be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated. The lack of adequate documentation could create questions as to whether the nature of the transaction is permissible and could lead to potential disallowed charges by the federal government and/or any other regulatory agencies. We estimate the known questioned costs for the unsupported differences to be approximately \$464,000. Questioned costs are costs that the auditor questioned because the entity did not support the costs with adequate documentation at the time of the audit.

Emergency Management should develop policies and procedures to address the use of speed types that should include what sources of information are necessary to support an adjustment. Additionally, Emergency Management should periodically monitor these adjustments to ensure they are reasonable based on their policy. By doing such, Emergency Management will ensure that they maintain adequate internal controls to support these adjustments and comply with applicable requirements.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-111: Strengthen Internal Controls over Procurement to Ensure that Procurement Records are Complete

Applicable to: Department of Emergency Management

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Emergency Management Performance Grants - 97.042, Homeland Security Grant Program – 97.067

Federal Award Number and Year: EMP-2017-EP-00006-S01; EMW-2017-SS-00088-S01 - 2017

Name of Federal Agency: U.S. Department of Homeland Security

Type of Compliance Requirement - Criteria: Procurement and Suspension and Debarment - 2 CFR §200.317

Known Questioned Costs: \$0

Emergency Management needs to strengthen its internal controls over procurement to ensure its procurement records are complete. The procurement records, for two major contracts supported by federal funding from the EMPG and HSGP programs, did not contain critical documentation supporting its procurement or renewal. These contracts comprise nearly 34 percent of the procurement spending occurring within the EMPG and HSGP programs during the period under review. Missing pieces of procurement documentation include, but were not limited to:

- Written approval to expend funds as required by Annex 7-E of the Department of General Services Agency Procurement and Surplus Property Manual (Manual). When Emergency Management identifies the need for a procurement transaction, the requesting party completes an Internal Procurement Requisition form that executive management and the finance department are required to sign. This form was not included within the procurement record. This deficiency was applicable to both contracts tested during the audit.
- Identification of the contract administrator and his or her responsibilities as required by Annex 7-E of the Manual. This deficiency was applicable to one of the contracts tested during the audit.
- Contractor performance reports as required by Section 10.3 of the Manual. This deficiency was applicable to both contracts tested during the audit.

Section 10.3 of the Manual requires agencies to maintain a complete file in one place for each purchase transaction, containing all the information necessary to understand the why, who, what, when, where, and how of the transaction. It must contain as a minimum, as applicable, the description of requirements, sources solicited, a copy of the Virginia Business Opportunities (VBO) receipt, cancellation notices, the method of evaluation and award, a signed copy of the contract or purchase order, contractor performance report submitted by the administrator, modifications or change orders, vendor complaint forms, cure letters, usage data such as release or obligation registers, and any other actions relating to

the procurement. Without maintaining complete files, it is difficult for Emergency Management to substantiate the legitimacy of the procurement transaction. Emergency Management did not maintain complete files because it experienced significant turnover within its procurement office over the last several years and did not maintain adequate policies and procedures for procurement transactions.

Emergency Management has recently filled the vacant procurement positions and is in the process of revising its policies and procedures in this area. Additionally, Emergency Management is evaluating the structure of its existing contract agreements and making modifications as contracts are up for renewal. Emergency Management should continue with its efforts in this area to ensure procurement records are complete and consider using the checklists included within the Manual as a reference. By doing such, Emergency Management will be able to adequately support its procurement and prevent questions regarding the legitimacy of procurement transactions.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

2018-112: Improve Process for Allocating Overhead Costs

Applicable to: Department of Emergency Management

Prior Year Finding Number: N/A

Type of Finding: Internal Control and Compliance

Severity of Deficiency: Significant Deficiency

CFDA Title and CFDA #: Emergency Management Performance Grants - 97.042, Homeland Security Grant Program – 97.067

Federal Award Number and Year: EMP-2017-EP-00006-S01; EMW-2017-SS-00088-S01 - 2017

Name of Federal Agency: U.S. Department of Homeland Security

Type of Compliance Requirement - Criteria: Allowable Costs/Cost Principles - 2 CFR §200.303(a)

Known Questioned Costs: \$0

Emergency Management needs to improve their process for allocating overhead expenses within the agency. Emergency Management changed their overhead allocation methodology in November 2017, which caused overhead costs to be incorrectly allocated amongst various funds and grants for at least six months in fiscal year 2018.

This issue was the result of an error in their internal allocation calculator. As a result, the Radiological Emergency Preparedness Fund was overcharged approximately \$250,000 in overhead costs. This error also resulted in the Emergency Management Performance Grant being overcharged by approximately \$450,000. 2 CFR §200.303(a) states that an entity must establish and maintain effective internal control over federal awards that provides reasonable assurance that the non-federal entity is managing the award in compliance with the federal statutes, regulations, and terms and conditions of the federal award. Improperly allocating costs to certain funds and/or federal programs limits the

agency's available financial resources that funds certain programmatic expenses such as emergency management training and pass-through payments to local governments.

Although the agency corrected this error by the end of fiscal year 2018, it went undetected for six months and affected Emergency Management's ability to properly monitor costs charged to various federal grants. Emergency Management needs to strengthen controls over this process to ensure the allocation process accurately allocates overhead costs within the agency and complies with applicable requirements.

Views of Responsible Officials:

Views of responsible officials are in the report related to their agency, which can be found at www.apa.virginia.gov. In summary, the views of responsible officials in the agency report do not express a disagreement with the finding.

MANAGEMENT'S SECTION

COMMONWEALTH OF VIRGINIA
 Summary Schedule of Prior Audit Findings
 For the Year Ended June 30, 2018

Fiscal Year	Page No.	Finding No.	Title of Finding	CFDA No.	Questioned Costs	State Agency	Current Status	Corrective Action and Applicable Deliverables	For Previous Findings Not Corrected or Partially Corrected		
									Reason for Recurrence	Corrective Action Taken to Date	Significant Differences Between Previously Reported Corrective Action

FINANCIAL STATEMENT FINDINGS

Department of Human Resource Management

2017	53	2017-033	Improve Web Application Security Controls	N/A	-	DHRM	Corrective action is ongoing	Hiring of an IT Data Security staff on July 1, 2018. Gather documentation, perform analysis, develop and implement a solution to resolve finding.	No availability of staff to be fully dedicated to the task.	DHRM opted to evaluate if existent staff could be available to perform this task.	Tasks have been performed when staff is available.
2016	30	2016-015	Improve System Security for the Time, Attendance, and Leave System	N/A	-	DHRM	See Finding Number 2017-033				
2015	18	2015-010	Improve System Security for the Time, Attendance, and Leave System	N/A	-	DHRM	See Finding Number 2016-015				
2017	54	2017-034	Improve IT Risk Management and Disaster Recovery Planning	N/A	-	DHRM	Corrective action is ongoing	Documenting evaluation of data stored in mission essential/sensitive systems (including regulatory requirements to which the data is subject) as well as potential damages to the agency and Commonwealth if the confidentiality, integrity or availability of this data is compromised.	No availability of staff to be fully dedicated to the task.	DHRM opted to evaluate if existent staff could be available to perform this task.	Tasks have been performed when staff is available.
2016	74	2016-054	Improve IT Risk Management and Disaster Recovery Planning	N/A	-	DHRM	See Finding Number 2017-034				
2015	45	2015-041	Improve IT Risk Management and Disaster Recovery Planning	N/A	-	DHRM	See Finding Number 2016-054				
2017	55	2017-035	Improve Database and Application Security	N/A	-	DHRM	Corrective action is ongoing	Hiring of an IT Data Security staff on July 1, 2018. Gather documentation, perform analysis, develop and implement a solution to resolve finding.	No availability of staff to be fully dedicated to the task.	DHRM opted to evaluate if existent staff could be available to perform this task.	Tasks have been performed when staff is available.
2017	76	2017-056	Improve Vulnerability Identification and Mitigation Process	N/A	-	DHRM	Corrective action is ongoing	Hiring of an IT Data Security staff on July 1, 2018. Gather documentation, perform analysis, develop and implement a solution to resolve finding.	No availability of staff to be fully dedicated to the task.	DHRM opted to evaluate if existent staff could be available to perform this task.	Tasks have been performed when staff is available.
2017	87	2017-066	Improve Security Awareness and Training	N/A	-	DHRM	Corrective action is ongoing	Implementing online classes in the COVLC to provide role based security training to staff with role-based assignments.	No availability of staff to be fully dedicated to the task.	DHRM opted to evaluate if existent staff could be available to perform this task.	Tasks have been performed when staff is available.
2016	83	2016-062	Improve Security Awareness and Training	N/A	-	DHRM	See Finding Number 2017-066				
2015	55	2015-050	Improve Security Awareness and Training	N/A	-	DHRM	See Finding Number 2016-062				
Virginia Employment Commission											
2017	28	2017-010	Submit Required Reports Timely	N/A	-	VEC	Resolved - corrective action is completed				
2016	119	2016-092	Submit Required Reports	17.225	-	VEC	See Finding Number 2017-010				

Fiscal Year	Page No.	Finding No.	Title of Finding	CFDA No.	Questioned Costs	State Agency	Current Status	Corrective Action and Applicable Deliverables	For Previous Findings Not Corrected or Partially Corrected		
									Reason for Recurrence	Corrective Action Taken to Date	Significant Differences Between Previously Reported Corrective Action
2017	58	2017-038	Risk Management and Contingency Planning Documentation	N/A	-	VEC	Corrective action is ongoing	The VEC will review and update Risk Management and Contingency Planning documents to ensure SEC501 requirements are met and ensure the information is consistent within each document and reflects the current environment. These documents include: BIA, IT System and Data Sensitivity Classifications, Risk Assessments, Continuity Plan and DRP.	Resource constraints.	The Continuity Plan was updated April 30, 2018. Risk Assessments are in progress in accordance with the Risk Assessment Plan. The BIA and Data Sensitivity Classifications will be updated by September 2018.	No significant change. The BIA and Data Sensitivity Classifications are still scheduled to be updated by September 2018.
2017	60	2017-039	Continue to Improve Database Security	N/A	-	VEC	Corrective action is ongoing	We are in the process of migrating one of our database environments from Virtual to Physical servers. When this is complete, the version of the database will be upgraded and database logging will be enabled.	There have been many configuration issues on the physical servers that needed to be identified and resolved. Therefore we continue to work on the virtual to physical migration.	6 of the 10 issues identified have been resolved. 2 of the 10 issues cannot be addressed as those changes are not supported by the application. The migration of virtual to physical servers continues.	Issues continue to be found and worked through.
2016	29	2016-014	Continue Improving Database Security	17.225	-	VEC	See Finding Number 2017-039				
2015	13	2015-004	Improve Database Security	17.225	-	VEC	See Finding Number 2016-014				
2017	69	2017-049	Continue to Improve Oversight over Third-Party Service Providers	N/A	-	VEC	Corrective action is ongoing	The VEC will continue efforts of maintaining oversight of its third-party service providers. Including identifying outsourced services and providers, ensuring security and reporting requirements are included in contracts, reviewing and evaluating SOC reports, and where applicable, maintaining oversight over ECOS services to confirm that VITA and Providers are compliant with the Security Standard and written agreements. One Exception will be filed with VITA concerning GeoSolutions, which will finalize ECOS with GeoSolutions.	Resource constraints.	Third parties are being asked for SOC 2 Type 2s and are signing Confidentiality Agreements with VEC. Beginning SOC Type 2 and ECOS process for C2T - 3rd party provider. Policies and procedures are being developed.	No significant difference.
2016	60	2016-042	Continue Improving Oversight over Third-Party Service Providers	17.225	-	VEC	See Finding Number 2017-049				
2015	65	2015-060	Maintain Oversight over Third-Party Service Providers	17.225	-	VEC	See Finding Number 2016-042				
2014	14	2014-003	Maintain Oversight Over the Information Security Program	17.225	-	VEC	See Finding Number 2015-060				
2017	72	2017-052	Evaluate, Revise, and Implement the Change Management Process	N/A	-	VEC	Corrective action is ongoing	We will update our Change and Configuration Management Plan and processes to address the weaknesses identified.	The agency is in the process of re-writing our information security policies and procedures. This policy and procedure will go before the Commissioner in a group with other policies and procedures.	A draft has been produced which is under internal IT review.	No significant change. The BIA and Data Sensitivity Classifications are still scheduled to be updated by September 2018.

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2017	78	2017-058	Continue to Improve Oversight over IT Risk Assessments	N/A	-	VEC	Corrective action is ongoing	The agency has made significant progress in documenting Risk Assessments. The VEC recently re-evaluated its sensitive systems and identified a total of 27 sensitive systems. An IT Risk Assessment Plan was submitted to VITA outlining the plan for completing these Risk Assessments over the required 3-year period. By the end of June 2018, the VEC will have completed 11 Risk Assessments. If funds permit, during the remainder of 2018, VEC plans to complete 8 Risk Assessments, 10 in 2019, and 8 in 2020. Additionally, for Risk Assessments that have been completed, we will review and update the Assessment annually.	These tasks take time and resources hence the three year obligation. We essentially are starting the second year of the three year cycle.	Three year plans have been developed for each activity. The agency has made significant progress in documenting sensitive system Risk Assessments.	No significant difference.
2016	77	2016-056	Continue Improving Oversight over IT Risk Assessments	17.225	-	VEC	See Finding Number 2017-058				
2015	44	2015-040	Continue Improving Oversight over IT Risk Assessments and Security Audits	17.225	-	VEC	See Finding Number 2016-056				
2014	14	2014-003	Maintain Oversight Over the Information Security Program	17.225	-	VEC	See Finding Number 2015-040				
2017	81	2017-061	Continue to Upgrade Unsupported Technology	N/A	-	VEC	Corrective action is ongoing	All systems currently using unsupported technology are targeted to be upgraded or decommissioned by March 31, 2018.	Actions are on-going with estimated completion date of June 30, 2018.	Progress has been made and all systems currently using unsupported technology are targeted to be upgraded or decommissioned. The agency is currently working with NG to schedule the work for work request VEC 7614.	No significant difference.
2016	54	2016-037	Upgrade Unsupported Technology	17.225	-	VEC	See Finding Number 2017-061				
2016	39	2016-024	Document Separation of Duties of Individuals for Mission Critical Systems	17.225	-	VEC	Corrective action is ongoing	Separation of duties will be identified within each security plan of a system. All security plans will be completed by 2019.	Analysis of the lack of this information for all systems has increased the scope of this project.	Separation of duties will be identified within each system and security plans will be created within three years. VEC is currently working on a Separation of Duties matrix for each mission essential system.	Change of scope.
2015	39	2015-036	Document Separation of Duties of Individuals for Mission Critical Systems	17.225	-	VEC	See Finding Number 2016-024				
2014	14	2014-003	Maintain Oversight Over the Information Security Program	17.225	-	VEC	See Finding Number 2015-036				
2016	40	2016-025	Remove System Access Timely	17.225	-	VEC	Resolved - corrective action is completed				
2016	70	2016-050	Improve Change Management Process	17.225	-	VEC	Corrective action is ongoing	We will update our Change and Configuration Management Plan and processes to address the weaknesses identified.	The agency is in the process of re-writing our information security policies and procedures. This policy and procedure will go before the Commissioner in a group with other policies and procedures.	A draft has been produced which is under internal IT review.	No significant change. The BIA and Data Sensitivity Classifications are still scheduled to be updated by September 2018.

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2016	87	2016-065	Continue to Improve Physical and Environmental Security	17.225	-	VEC	Corrective action is ongoing	Access changes previously identified this year have been made to the badge readers granting access to the data center. Visitor access log reviews will be conducted on a periodic basis. A cost benefit analysis will be conducted to determine if the agency is willing to except the risk of losing the data center.	Resource constraints.	Access is reviewed and fire suppression project continues. Fire suppression drawings have been submitted to DGS Bureau of Capital Outlay Management.	No significant difference.
2015	68	2015-063	Continue to Improve Physical and Environmental Security	17.225	-	VEC	See Finding Number 2016-065				
2014	14	2014-003	Maintain Oversight Over the Information Security Program	17.225	-	VEC	See Finding Number 2015-063				
2016	93	2016-071	Improve Procedures related to Retirement Contributions	N/A	-	VEC	Resolved - corrective action is completed				
2016	101	2016-078	Ensure Tax Wage Discrepancy Report is Complete	17.225	-	VEC	Resolved - corrective action is completed				
2015	62	2015-057	Obtain Approval to Use End-of-Life Operating Systems	17.225	-	VEC	Corrective action is ongoing	<p>The VEC has a limited number of machines with end-of-life systems that still exist in the network and the remaining machines are scheduled for replacement.</p> <p>On 1/12/2016 we received a 60 day exception for our use of end-of-life servers. We were given this exception to come up with a project plan to replace or decommission the servers. We have submitted decommission tickets on the two servers and expect them to be decommissioned soon.</p>	Actions are on-going with estimated completion date of June 30, 2018.	Progress has been made and all systems currently using unsupported technology are targeted to be upgraded or decommissioned.	No significant difference.
Department of Education - Central Office Operations and Direct Aid to Public Education											
2017	15	2017-001	Design and Implement Sound Internal Controls over Fiscal Activities	N/A	-	DOE/COO	Resolved - corrective action is completed				
2017	16	2017-002	Improve Support and Review of Financial Recording	N/A	-	DOE/COO	Resolved - corrective action is completed				
2017	18	2017-003	Require the Review and Approval of Reconciliations	N/A	-	DOE/COO	Resolved - corrective action is completed				
2017	42	2017-023	Establish and Implement Policies and Procedures for Accessing Budgetary Information	N/A	-	DOE/COO	Resolved - corrective action is completed				
2017	50	2017-030	Improve Database Security	N/A	-	DOE/COO	Corrective action is ongoing	Vendor unable to meet scheduled timelines to upgrade server environment resulting in IT security deficiencies. Multiple concerns will be addressed during the implementation and testing phases of the server upgrade.	Resource constraints, Strategic Planning Adjustments, Technical Issues.	VDOE has engaged a vendor to assist with documenting formal policies and procedures for monitoring database activity. VDOE has requested database log access from VITA. VDOE is using CIS benchmarks to baseline Oracle database configurations.	The general controls portion for Sensitive System audits have been completed, delivery of Final IT Audit Report Test Work and completion is under review with Commonwealth Security and Risk Management. Risk Assessments of Sensitive Systems have been completed and a baseline database configuration policy and procedure document has been implemented. Db changes are tracked in the VDOE Service Request Tracking System (SRTS).

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2016	24	2016-009	Improve Database Security	N/A	-	DOE/COO	See Finding Number 2017-030				
2017	75	2017-055	Retain Evidence of Approval for Changes in Local Funding	N/A	-	DOE/COO	Resolved - corrective action is completed				
2017	82	2017-062	Continue to Improve Information Security Program and IT Governance	N/A	-	DOE/COO	Corrective action is ongoing	<p>Information Security Program</p> <ul style="list-style-type: none"> - Develop IT security policies and procedures manual - Track all key Information Security Milestones - Explore resource augmentation IT Systems Hardening and Change Management Process - Document baseline configurations to align with the Commonwealth Security Standard and Industry Best Practices - Develop/Update IT System Hardening and database security policies and procedures - Implement a database auditing mechanism - Implement industry benchmarks Risk Management Process - Engage vendor to perform Risk Assessments - Develop Risk Assessment policies and procedures - Explore resource augmentation security awareness training - Transition to new security awareness training delivery mechanism - Transition monitoring of completion of awareness J119 from HR to IS - Develop Information security training policies and procedures - Acquire requisite knowledge regarding role based access to IT security awareness training - Explore H117 augmentation - Consult with other Executive Branch agencies IT security Audits - Engage vendor to perform Sensitive System Audits - Ensure that Audits are performed in accordance with Commonwealth IT auditing standards - Continue to pursue funding for audit-compliance systems - Submit required audit Plans to VITA - Coordinate with vendor for firm scheduling dates - Explore resource augmentation 	<p>Resource constraints, Strategic Planning Adjustments, Technical Issues.</p>	<ul style="list-style-type: none"> - VDOE has completed the initial iteration of the agency's Information Security policies and procedures manual - VDOE is working with a vendor to complete a gap analysis of the entire information security program and is working to create a plan for mitigation of any deficiencies over a 3 year cycle - VDOE will use VITA to perform IT Sensitive System Security Audits. 	<p>The general controls portion for Sensitive System audits have been completed, delivery of Final IT Audit Report Test Work and completion is under review with Commonwealth Security and Risk Management. Risk Assessments of Sensitive Systems have been completed. GAP Analysis and mitigation strategy has been completed and received. The plan has been presented to the Superintendent for review and comment. Policy and Procedure manual signed by State Superintendent.</p>
2016	56	2016-039	Improve Information Security Program and IT Governance	N/A	-	DOE/COO	See Finding Number 2017-062				
2015	42	2015-039	Continue to Improve IT Risk Management	N/A	-	DOE/COO	See Finding Number 2016-039				
2014	35	2014-020	Improve IT Risk Management Documentation	N/A	-	DOE/DAPE	See Finding Number 2015-039				
2015	51	2015-047	Continue to Improve Information Security Policies and Procedures	N/A	-	DOE/COO	See Finding Number 2016-039				

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2014	33	2014-018	Improve Information Security Policies and Procedures	N/A	-	DOE/DAPE	See Finding Number 2015-047				
2015	52	2015-048	Improve Information Security Awareness Training Program	N/A	-	DOE/COO	See Finding Number 2016-039				
2017	102	2017-080	Perform Adequate Due Diligence before Authenticating and Paying Vendors	N/A	-	DOE/COO	Resolved - corrective action is completed				
2017	108	2017-085	Establish Sound Budgetary Controls over Disbursements	N/A	-	DOE/COO	Resolved - corrective action is completed				
2017	109	2017-086	Drawdown Federal Grant Funds as Instructed and Update Loan Request with Important Facts	N/A	-	DOE/COO	Corrective action is ongoing	<p>1) Developed New Grant Program Application Approval Form to be completed by Program Offices to ensure proper notification of new sources of federal grant funding being received by DOE (other than USED and USDA). Part A of the form will be routed by the Program Office with all required supporting documentation prior to grant applications being submitted to awarding entities for consideration; Part B of the form will be routed by the Program Office upon notification of grant funding, ensuring proper follow-up for grant terms and instructions including Fiscal Services drawdown access accounts (other than existing/recurring USED and USDA grant awards), and acknowledgment by Program Offices of responsibilities for financial reporting.</p> <p>2) Improved Fiscal Services processes to include immediate notification to the Director and Associate Director for any federal payments made for which immediate drawdown has not been made, including explanation/justification for delay in drawdowns. Current SOPs updated to document improved processes.</p> <p>3) Macro/queries are being re-written to facilitate review process. Manual processes are being developed. During the interim, compensating controls are in place to ensure timely draws of federal grant funds.</p> <p>4) Provided Department of Accounts with explanation for why DOE was placed in restricted status with HHS (SAMHSA), resulting in the request for the Treasury Loan of \$1.6 million.</p>	Resource constraints	Macro/queries are being re-written to facilitate review process. Manual processes are being developed. During the interim, compensating controls are in place to ensure timely draws of federal grant funds.	Macro/queries are being re-written to facilitate review process. Manual processes are being developed. During the interim, compensating controls are in place to ensure timely draws of federal grant funds.
2016	12	2016-001	Improve Oversight and Review of Financial Reporting	N/A	-	DOE/DAPE	Resolved - corrective action is completed				
2016	46	2016-031	Upgrade End-of-Life Technology	N/A	-	DOE/COO	Resolved - corrective action is completed				

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University of Virginia - Academic Division and Medical Center

2017	30	2017-012	Improve Monitoring over Estimated Accounts Payable	N/A	-	UVAH	Resolved - corrective action is completed				
2017	45	2017-025	Improve Controls for Granting and Restricting Elevated Workstation Privileges	N/A	-	UVA/AD	Resolved - corrective action is completed				
2016	43	2016-028	Improve Controls for Granting and Restricting Elevated Workstation Privileges	N/A	-	UVA/AD	See Finding Number 2017-025				
2015	39	2015-035	Improve Controls for Granting and Restricting Elevated Workstation Privileges	N/A	-	UVA/AD	See Finding number 2016-028				
2017	60	2017-040	Improve IT Risk Management Process and Documentation	N/A	-	UVAH	Corrective action is ongoing	UVAH has a comprehensive and well defined Business Continuity Plan and Disaster Recovery Plan (BCP/DR). Included in the BCP/DR is the Business Impact Analysis. UVAH started a project near the end of fiscal year 2017 to review the current Business Impact Analysis and determine where there might be gaps related to standards listed in NIST 800-34 Contingency Planning Guide for Federal Systems. The UVAH has plans to complete this gap analysis by 06/30/2018. UVAH completed the annual risk assessment for the deliberate decision to defer assessments of risk for functions covered by certain vendors. Both risk assessments are set to be completed in the upcoming year (2018), which is still within the window of compliance.	Corrective action is ongoing.	Continued evaluation of risk assessment.	None.
2017	62	2017-041	Improve Database Security	N/A	-	UVAH	Corrective action is ongoing	The APA audited the database and noted eight areas of improvement. Two of the eight areas related to access management and were fixed immediately upon notification from the APA. The APA was notified these had been addressed. The remaining six areas noted are related specifically to the configurations prepackaged by the vendor. The UVAH has been actively working with the vendor in order to determine if remediation is possible and within the ability of the database to control. The issue is not unique to UVA.	Corrective action is ongoing.	Areas noted are related specifically to prepackaged vendor configurations. UVAH is actively working with the vendor to determine if remediation is possible and within the ability of the database to control.	June 2018-Areas noted are related specifically to prepackaged vendor configurations. UVAMC is actively working with the vendor to determine if remediation is possible and within the ability of the database to control.

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2017	67	2017-047	Improve Oversight of Third Party Service Providers	N/A	-	UVAH	Corrective action is ongoing	UVAH has developed a comprehensive risk management and assessment framework that applies to third-party vendors. The risk assessment process is a collaborative endeavor involving third-party vendors. For third-party vendors, one of the following risk assessments need to be completed: Cloud Risk Assessment, Black Box Risk Assessment, Medical Device Risk Assessment, and Security/Exhibit Requirements. In addition, UVAH created an annual review process for the storage vendor, as well as a process to review risk assessments when a contract is up for renewal. UVAH will develop a review process that clearly exhibits and documents adherence of third parties to UVAH defined standards and controls.	Corrective action is ongoing.	UVAH has developed a comprehensive risk management and assessment framework that applies to third-party vendors.	None.
2017	88	2017-067	Improve Security Awareness Training Program	N/A	-	UVA/AD	Resolved - corrective action is completed				
2016	84	2016-063	Improve Security Awareness Training Program	N/A	-	UVA/AD	See Finding Number 2017-067				
2017	90	2017-069	Improve Policies and Procedures for Removal of Terminated Employee Badge Access	N/A	-	UVAH	Resolved - corrective action is completed				
2017	91	2017-070	Improve Terminated Employee Procedures	N/A	-	UVA/AD	Corrective action is ongoing	The current employee off-boarding process is a paper-based, manual process, dependent on hiring unit implementation, collection of signatures, and limited technology. The University is in the process of implementing a new HR Management System for future state employee transaction management and engagement. Additional refinement of off-boarding procedures, inclusive of timeframes for completion, and impacted employee populations, are planned as part of this project. The off-boarding process will be significantly enhanced as an element of the new HR Management System's process capacity, resulting in improvement in compliance with University off boarding procedures. Until the new HR Management System and off-boarding process can be implemented, Human Resources and Provost Office will revisit terminated employee procedures and	Corrective action is ongoing.	Planning and development of a future state offboarding process, inclusive of both staff and faculty, within the HRMS system is nearing completion. In addition to ensuring closure of the items on the current University offboarding checklist, HRMS system will provide a tool to start, prompt, remind, and track completion of offboarding, based on established deadlines. The HRMS system process, while still being finalized, expects to provide the following: <ul style="list-style-type: none"> • Employees will be terminated either voluntarily or involuntarily in HRMS system with a code, resignation and end date, and eligibility for rehire. This step will be completed by the manager, will be available to report on. (Entered in HRMS system) • Through HRMS system, necessary processes will be generated to check finance responsibilities, terminate security badge and terminate IT access *For involuntary, access will be terminated immediately upon termination 	None.

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								define a specific timeframe for completing the off-boarding checklist, as well as identify all employee types requiring an off-boarding checklist. The revised procedures will be clearly communicated to all departments. In addition, the University will continue to perform random audits to evaluate compliance with the off-boarding toolkit.		*For voluntary, access will be terminated at 5:00pm on the last day <ul style="list-style-type: none"> For voluntary, we will send a message to both the employee and the manager indicating the best practice for offboarding (re: communication, reminder to disconnect any transfer of responsibilities, upcoming departure, and offboarding survey link. (Informational communication in HRMS system) On the departure day, the manager will confirm collection of the fixed assets and access - this will be checked by the manager and recorded in HRMS system (Manager confirmation in HRMS system). While the future state system will eliminate many of the issues regarding late Offboarding Checklist deadlines we continue to remind our HR partners in the field of the current requirements for terminated employees. Standardized reminders have been sent quarterly to reiterate the need for checklists to be signed by the terminating employee's supervisor, or department hiring official, within two business days of the employee's last day. The reminders also stress the need to collect Offboarding Checklists for all classes of employees, inclusive of temporary, wage, and full-time employees. Random audits of terminated employees continue to ascertain that the Offboarding Checklist procedures are followed and the forms are completed in a timely manner. 	
2017	96	2017-075	Comply with Commonwealth Requirements for Wage Employees	N/A	-	UVA/AD	Corrective action is ongoing	The Human Resource department will reinforce Human Resource Policy 2.20 and the 1,500 hour rule to all departments. In addition, Payroll/Human Resources will implement additional controls to monitor non-benefit employees' hours and communicate employees approaching the annual limit to the respective department in a timely manner. In addition, the University is in the process of implementing a new HR management system, which will enable a more rigorous process to ensure termination takes place before the 1,500 hour threshold.	Corrective action is ongoing.	Over the past year, HR has manually monitored compliance with the 1,500 rule. Again, it is our expectation that functionality within the new Workday system will enable a much simpler mechanism to monitor and enforce this rule systematically. Under the temporary process, key groups within HR, including benefits administration, receive an email after each payroll cycle that shows individuals within 100 hours of the 1,500 limit. Staff within our temporary/wage team notify the employee and manager in regards to approaching the threshold and required action taken. This process continues throughout the year and if action is not taken by the third outreach, the Director of Benefits Administration reaches out directly to the hiring official with a compliance notice and action is taken to end the assignment. Since October 1, 2017, no individuals have exceeded the 1,500 limit under this approach.	None.

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Virginia Commonwealth University												
2017	71	2017-051	Implement Newly Developed Policies over Information Technology Third-Party Service Providers	N/A	-	VCU	Corrective action is ongoing	VCU has requested assessment and attestation documentation from the identified vendors and has received and completed documentation reviews for over 30% of the identified vendors. VCU expects to complete all annual reviews for identified vendors by June 30, 2018 and further refine the process for upcoming years.	Volume of third party providers to be reviewed is taking a considerable amount of time and effort.	All vendors have been contacted and 95% have completed the assessments.	Vendor assessments that are completed went from 30% to 95%.	
2017	77	2017-057	Improve Risk Management and Continuity Planning Documentation	N/A	-	VCU	Corrective action is ongoing	VCU is currently working on further integrating both systems so that system and risk assessment information can be better tracked and organized, allowing this information to be maintained more consistently and accessed in an even faster and more streamlined fashion. Additionally, VCU recognizes the need to strengthen its business continuity planning and has recently purchased a business continuity software tool to help identify enterprise level risk, conduct BIAs, identify recovery strategies and support overall business continuity programming. This process will be on-going through 2018 with a full University BIA available by the end of the calendar year.	Purchase and implementation of new system to streamline the risk assessment process is taking additional time.	The VCU has a new system being used being used to replace the old provisioning process on July 2, 2018. The new system helps VCU streamline system risk assessment and review processes. As of September 2017, VCU purchased a business continuity planning (SaaS) tool called VEOCI. After several months of VCU-specific development, a three step tool was created that allowed 16 identified units to conduct an individual hazard assessment and business impact analysis (BIA) and then build recovery strategies based on all essential functions identified. A two phased, two tier implementation process will be fully implemented by December 31, 2018. Once the BIAs and recovery strategies are collected from the 16 units, a comprehensive University BIA and Business Continuity Plan will be created based on that data and made available no later than April 1, 2019 in compliance with Executive Order 41 (2011).	Units with business continuity risks have been identified and recovery strategies are being developed.	
2017	94	2017-073	Improve Management Oversight of Wage Employee Timekeeping	N/A	-	VCU	Resolved - corrective action is completed					
2017	95	2017-074	Comply with Commonwealth Requirements for Wage Employees	N/A	-	VCU	Corrective action is ongoing	VCU HR will send another universal reminder regarding compliance with the laws, and the VCU HR Compliance Office will continue to monitor the quarterly hour reports. The VCU Compliance Office will direct the HR liaisons to immediately track and maintain a running account of any employee who looks to be close to 29 hours per week or who looks to be in potential violation of the 1500 annual hour limit. Finally, in the 2017-2018 reporting year, VCU HR will continue to send the report containing the names of employees who have exceeded 1,200 hours to the relevant HR liaisons, but the VCU HR Compliance Office will also communicate directly with HR Professionals any time an hourly or wage worker exceeds 1,200 hours in the reporting period and will direct the respective HR	Inherent problems with managing this process in a decentralized environment with employees working in multiple departments.	Engaging HR professionals and increasing communications	Engaging HR professionals in departments to work together and identify problems when employees work in more than one area	

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								Professional overseeing the HR liaisons to more closely monitor the matter. The VCU HR Compliance Office will also discuss with the HR Professionals ways to incorporate measures within the schools and divisions to determine if hourly employees are working in multiple positions and engage them in discussing ways they can better manage this situation among the schools and divisions.			
2016	66	2016-046	Improve Oversight of Information Technology Third-Party Service Providers	N/A	-	VCU	Corrective action is ongoing	While VCU developed processes to review the security practices of new service providers in recent years, the process has not been centrally implemented on legacy service providers. Annual SOC report reviews are performed for service providers involving fiscal processes. VCU will develop a university-wide plan for a risk-based, ongoing review and certification process for all third-party service providers.	Corrective action is ongoing.	Documentation reviews are complete for 93% of the identified vendors.	Progress is continuing to be made on reviewing all agreements.
2016	88	2016-066	Continue Improving Mobile Device Security	N/A	-	VCU	Resolved - corrective action is completed				
2015	22	2015-017	Improve Mobile Device Security	N/A	-	VCU	See Finding Number 2016-066				
Department of Accounts											
2017	63	2017-043	Improve Database Security	N/A	-	DOA	Resolved - corrective action is completed				
2017	101	2017-079	Ensure all Nonexempt Active Vendors in the Commonwealth's Accounting and Financial Reporting System Have a Form W-9	N/A	-	DOA	Corrective action is ongoing	The Department of Accounts will run a system query to determine which active non-exempt vendors do not have Form W-9. Any vendor on this list that has not received a payment in the last 10 months will be inactivated. For the remainder of the vendors on the list DOA will contact both the vendor and the agencies making payments to them to obtain a Form W-9. If a Form W-9 is not received after 3 months of notification the vendor will be inactivated.	The Department of Accounts must complete additional research regarding the impact of updating all non-exempt vendors that do not have Form W-9 in Cardinal. The current listing of vendors accounts for 60% of the total number of approved vendors in Cardinal. Making changes to all of the non-exempt vendors will impact the operations of the Commonwealth of Virginia. Obtaining Form W-9 and uploading into Cardinal is a manual process for The Department of Accounts, which is also labor and time extensive.	The Department of Accounts has obtained a listing of all non-exempt vendors for which there is no Form W-9 in Cardinal. Any vendor that has not received a payment in Cardinal will be made inactive. The remaining vendors are currently being researched to determine the level of impact on the operations of the Commonwealth of Virginia if they are updated in Cardinal. Detailed information has been requested in order to make an informed decision regarding the remaining vendors.	There are no significant differences between the previously reported corrective action and the actual corrective action taken. The Cardinal PPS Team is currently researching the vendor information and will provide the results to the vendor group.
2016	23	2016-008	Adjust Practices as Needed and Request Identifying Numbers Assigned by Pass-Through Entities	N/A	-	DOA	Resolved - corrective action is completed				

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2016	94	2016-072	Improve Internal Controls for Creating and Updating Vendors in Cardinal	N/A	-	DOA	Resolved - corrective action is completed					
Department of Taxation												
2017	37	2017-018	Strengthen Access Controls	N/A	-	TAX	Corrective action is ongoing	TAX will initiate a project that documents combinations of access functions that create potential segregation of duties violations. From the documentation, TAX personnel will determine if the potential segregation of duties violation should be controlled via an application access security rule or some other compensating control.	Insufficient time to address issue.	AR roles have been recertified. Only one manager needs to complete employee access recertification.	Complete recertification and verify accuracy.	
2017	38	2017-019	Improve Service Account Management	N/A	-	TAX	Corrective action is ongoing	TAX will document all service accounts in the system security plans by September 30, 2018. In addition, TAX will implement a tool to facilitate the management of service accounts by April 30, 2019.	Insufficient time to address issue.	System Security Plans being reviewed for necessary updates. CyberArk implemented, accounts in the process of being vaulted.	Complete system security plans and CyberArk vaulting.	
2017	39	2017-020	Address Uncorrelated Accounts	N/A	-	TAX	Corrective action is ongoing	This corrective action plan is contingent upon receiving additional funding. TAX will correlate each account in the access management system with a unique identity and establish a continuing process to ensure the correlation of all accounts by July 31, 2019.	Insufficient time to address issue.	All orphaned accounts have been removed, correlated to an identity or properly classified as a Service/System account. A process has been developed to monitor and mitigate new Orphan accounts. Remainder of uncorrelated accounts on track for resolution by July 31, 2019.	Accuracy of process needs to be verified and any unidentified orphans correlated.	
2017	40	2017-021	Improve Documentation over Financial Reporting System Security Functions and Features	N/A	-	TAX	Corrective action is ongoing	TAX will more fully document policies and procedures related to the security functions and features of our financial accounting and reporting system by September 30, 2018.	Insufficient time to address issue.	Significant progress has been made. The documentation will take three forms: 1) End User Guide 2) Developers Guide 3) User guide specifically on the "Re-certification tool". A draft of the End User Guide has already been completed. Training on the "Re-certification Tool." has been completed. On Track for the September 30, 2018 completion.	Complete recertification and verify accuracy to determine if user guides are accurate. Complete developers guide.	
2017	41	2017-022	Perform Annual Access Review	N/A	-	TAX	Corrective action is ongoing	This corrective action plan is contingent upon receiving additional funding. This corrective action has two key milestones. By December 31, 2018, TAX will complete an access review for all technology resources currently controlled via its Identity Management System. By December 31, 2020, TAX will complete a project so that all technology resources are managed by its Identity Management System.	Insufficient time to address issue.	AR roles have been recertified. Only one manager needs to complete employee access recertification.	Complete recertification and verify accuracy.	
2015	34	2015-029	Continue to Strengthen Controls over Advantage Revenue Access	N/A	-	TAX	Resolved - corrective action completed					
2014	80	2014-050	Improve Internal Controls Over Systems Access	N/A	-	TAX	See Finding Number 2015-029					

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2013	22	2013-011	Improve Internal Controls over Access	N/A	-	TAX	See Finding Number 2014-050				
Department of the Treasury											
2017	24	2017-007	Improve Financial Reporting of Unclaimed Property Activity	N/A	-	TRS	Corrective action is ongoing	Unclaimed Property will ensure financial templates are completed in accordance with accounting principles generally accepted in the United States of America and a reliable method is utilized to estimate the long-term unclaimed property claims liability.	Unclaimed Property has documented procedures for financial statement completion and developed a methodology to determine the liability. However, Unclaimed Property has not completed the current year's financial statements to ensure the corrective actions are effective.	Unclaimed Property is awaiting the templates for this year's financial statements but retained notes from last year's preparation to ensure accurate entries for FY 18. An estimation program for the long-term unclaimed property claims liability has been developed using analytical software and will be utilized going forward to provide this estimate.	Unclaimed Property is awaiting the templates for this year's financial statements but retained notes from last year's preparation to ensure accurate entries for FY 18. An estimation program for the long-term unclaimed property claims liability has been developed using analytical software and will be utilized going forward to provide this estimate.
2017	26	2017-008	Improve Accounting and Financial Reporting Control Environment of Trust Accounting	N/A	-	TRS	Corrective action is ongoing	Funding for a senior level accounting position for Trust Accounting was included in the Governor's 2018-2020 budget package submitted to the General Assembly. Treasury will begin developing the Employee Work Profile for this position in early March to include restructuring Trust Accounting work responsibilities with an emphasis on succession planning. The goal is to have the position filled by early June 2018. Additionally, Treasury will evaluate the need for a dedicated resource to research and provide guidance on changes in financial reporting standards.	The position requested to address the staff shortage was part of the Governor's 2019/2020 budget package. The General Assembly only recently passed the 2019/2020 budget, which included funding for this position.	Treasury received funding in the proposed budget for an additional staff position during the upcoming 2018 - 2020 biennium budget development cycle and the budget was approved plans to fill the position in FY2019.	Treasury has received approval of the proposed budget to fund the requested position and listed the position for hire.
2016	21	2016-007	Maintain Adequate Staffing in Accounting and Reporting Functions	N/A	-	TRS	See Finding Number 2017-008				
2017	45	2017-026	Improve Information System Access Controls	N/A	-	TRS	Corrective action is ongoing	Treasury will improve its policies and procedures for assigning access to two of its information systems related to Unclaimed Property to address the findings.	The project has been started. Treasury IS will provide an estimate of the development time and provide an implementation date by June 30, 2018. A detective control has been added to review approvals monthly to determine if more than one level of claim approval has been completed by the same staff member. The detective control will review for internal control weakness in claim approval until a system control can be implemented.	The project has been started. Treasury IS will provide an estimate of the development time and provide an implementation date by June 30, 2018. A detective control has been added to review approvals monthly to determine if more than one level of claim approval has been completed by the same staff member. The detective control will review for internal control weakness in claim approval until a system control can be implemented.	The project has been started. Treasury IS will provide an estimate of the development time and provide an implementation date by June 30, 2018. A detective control has been added to review approvals monthly to determine if more than one level of claim approval has been completed by the same staff member. The detective control will review for internal control weakness in claim approval until a system control can be implemented.
2017	49	2017-029	Improve Database Security	N/A	-	TRS	Corrective action is ongoing	Treasury will develop procedures to ensure the appropriate security control is in place and functioning effectively.	Lack of resources to dedicate full time to this task.	Controls are being implemented, and procedures are being documented.	Controls are being implemented, and procedures are being documented.
2015	83	2015-078	Improve Financial Reporting	N/A	-	TRS	Resolved - corrective action is completed				

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Department of Behavioral Health and Developmental Services												
2017	29	2017-011	Improve Internal Controls over Reconciliations	N/A	-	DBHDS	Resolved - corrective action is completed					
2017	68	2017-048	Increase Oversight over Third-Party Providers	N/A	-	DBHDS	Resolved - corrective action is completed					
2017	73	2017-053	Develop Baseline Configurations for Information Systems	N/A	-	DBHDS	Corrective action is ongoing	In consultation with the Agency IT Advisory Committee (AITAC), the Department's Business Solutions Development (BSD) and Production Support (PS) teams will draft an outline categorization of the applicable hardware/software standards and types of testing that need detailing. The BSD and PS teams will then draft, based upon CO knowledge and experience, the details for each category and (when complete) that draft material will be reviewed and adjusted by the AITAC membership. After the AITAC review/modifications, the materials will be presented to the Chief Information Officer for approval and appropriate publication within the Department. The CO development and production support staff has developed a process for documenting the baseline configurations of hardware systems. Baseline standards for software development and testing procedures have been developed and distributed for use by the CO and facilities IT staff. These include the requirement to have separate operational, development and testing environments for software. Specific security configurations for sensitive systems are being developed but have not been propagated. Results from vulnerability scanning will be incorporated into change requests for identified systems.	DBHDS was dependent on Northrop Grumman (NG) providing servers and software. NG had substantial delays in completing their tasks.	DBHDS has engaged an external consulting company to assist with this audit finding (Gartner). The official start date is March 14, 2017. In addition, DBHDS has engaged three contractors to upgrade the operating system of 67 servers. Our brief of the Gartner options and priorities is scheduled for July 17th to DBHDS Executive Team. DBHDS process to upgrade servers will help develop baselines for upgraded applications. DBHDS plans to complete the installation of server software by March 31, 2018, which will establish and maintain security baseline configurations for our sensitive information systems. This software will ensure we meet the requirements of the Commonwealth's Security Standards. Servers, and software, have been configured. Daily compliance reports are generated from the baseline configuration server software. DBHDS has baseline configurations for hardware, and DBHDS is in the process of completing the baseline configurations for software requirements. An estimated completion date is October 1, 2019.	DBHDS has baseline configurations for hardware, and DBHDS is in the process of completing the baseline configurations for software requirements. An estimated completion date is October 1, 2019.	
2016	71	2016-051	Develop Baseline Configurations for Information Systems	N/A	-	DBHDS	See Finding Number 2017-053					
2015	14	2015-005	Develop Baseline Configurations for Information Systems	N/A	-	DBHDS	See Finding Number 2016-051					

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2017	80	2017-060	Continue to Upgrade Unsupported Technology	N/A	-	DBHDS	Corrective action is ongoing	The Department continues to make adjustments to its IT governance structure in an effort to achieve modernization and improved security and service levels -- reference implementation of the Agency IT Advisory Committee (AITAC), November 2015, and the Change Management forum, December 2015, discussed in our response to Management Comment #18. As of December 2015, the Department has identified 437 applications, largely because of a previous deficit in Enterprise IT collaboration. By June 30, 2016, the office of the Chief Information Officer will publish an Application Modernization Plan (developed in collaboration with the AITAC membership) that will reduce the number of applications from the current level of 437 to 215 by December 31, 2017. The plan will provide reduction milestones for December 31, 2016, June 30, 2017, and December 31, 2017. The Department continues to make improvements in identifying and remediating systems that are utilizing end-of-life technologies. Remediation tools have been acquired and a plan for retirement or remediation of end-of-life systems to a common supported technology will be completed by June 30. Efforts include work being addressed in current projects in the central office such as the ACES project and work being completed at the facilities. The date of December 2017 is obtainable for completion of this finding.	Remediation of finding was dependent on the progress of audit finding "Continue to Improve IT Governance." The three contractors hired to remediate this audit finding have made significant progress on upgrading the operating systems, but the timing of upgrading the critical systems forced some delays in upgrading them.	DBHDS has engaged an external consulting company to assist with this audit finding (Gartner). The official start date is 3/14/2017. In addition, DBHDS has engaged three contractors to upgrade the operating system of 67 servers. Out brief of the Gartner options and priorities is scheduled for July 17th to DBHDS Executive Team. All desktop computers no longer run XP which was soon to be unsupported and \$300K has been allocated to upgrade unsupported technology. DBHDS has submitted a security exception to Commonwealth Security to upgrade, consolidate, or decommission all end-of-life/end-of-support technology by March 31, 2018. DBHDS had 67 outdated technology servers and 70 applications to updated. DBHDS has removed 48 outdated technology servers and 60 outdated applications. DBHDS will be removing 16 outdated technology servers within the next 2 weeks. The remaining 3 outdated technology servers: 2 servers are dependent on procuring a replacement to an outdated application and 1 server on the closure of a training center (SWVTC). The procurement has been completed for the application (6/22/2018) and the decommission of all end-of-life/end-of-support technology will now be completed by July 31, 2018.	The procurement has been completed for the Blood Glucose monitoring application (6/22/2018) and the decommission of all end-of-life/end-of-support technology will now be completed by July 31, 2018.
2016	50	2016-034	Continue to Upgrade Unsupported Technology	N/A	-	DBHDS	See Finding Number 2017-060				
2015	61	2015-056	Upgrade Unsupported Technology	N/A	-	DBHDS	See Finding Number 2016-034				
2017	83	2017-063	Continue to Improve IT Governance	N/A	-	DBHDS	Resolved - corrective action is completed				
2016	57	2016-040	Continue to Improve IT Governance	N/A	-	DBHDS	See Finding Number 2017-063				
2015	53	2015-049	Improve Information Technology Governance	N/A	-	DBHDS	See Finding Number 2016-040				

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2017	86	2017-065	Improve IT Contingency Management Program	N/A	-	DBHDS	Corrective action is ongoing	DBHDS has started an IT COOP / DRP project with a projected completion date of October 1, 2018. This project will develop procedures, assign roles and responsibilities, and update the IT COOPs and DRPs ensuring they are consistent across the agency. DBHDS will ensure these IT COOPs and DRPs are tested annually.	Corrective action is ongoing.	DBHDS has started an IT COOP / DRP project with a projected completion date of October 1, 2018. This project will develop procedures, assign roles and responsibilities, and update the IT COOPs and DRPs ensuring they are consistent across the agency. DBHDS will ensure these IT COOPs and DRPs are tested annually. DBHDS is currently engaging VITA on cost estimates for the COOP and DRPs for affected servers. In addition, part of the Contingency Management Program planning at DBHDS is the continued movement to Cloud Storage.	DBHDS is currently engaging VITA on cost estimates for the COOP and DRPs for affected servers. In addition, part of the Contingency Management Program planning at DBHDS is the continued movement to Cloud Storage.
2017	92	2017-072	Improve Controls over Payroll	N/A	-	DBHDS	Corrective action is ongoing	The Department concurs with the audit comments as the payroll testwork was completed by the DBHDS Office of Internal Audit. In addition, the Department has agreed with the responses to the findings that were given by the four facilities where payroll testwork was completed. The responses will satisfy the recommendations made in this finding.	The payroll findings in FY 2017 were at different facilities than the facilities cited in 2015 and 2016, thus this is not a repeat finding. As mentioned, follow-ups will be completed by 9/1/2018 to determine compliance with responses to written findings. It is expected that the current findings will be addressed by the respective facilities by June, 30, 2018.	The payroll findings in FY 2017 were at different facilities than the facilities cited in 2015 and 2016, thus this is not a repeat finding. As mentioned, follow-ups will be completed by September 1, 2018 to determine compliance with responses to written findings. It is expected that the current findings will be addressed by the respective facilities by June 30, 2018.	None.
2016	98	2016-076	Improve Controls over Payroll	N/A	-	DBHDS	See Finding Number 2017-072				
2015	92	2015-088	Improve Controls over Payroll	N/A	-	DBHDS	See Finding Number 2016-076				
2017	98	2017-077	Improve Controls Over the Commonwealth's Retirement Benefits System	N/A	-	DBHDS	Corrective action is ongoing	DBHDS will ensure that VNAV snapshot reconciliations are completed in a timely manner. In addition, policies and procedures will be enhanced to adequately describe how the reconciliations of FMS and CIPPS to VNAV are to be completed. DBHDS will also ensure that no employee has duplicate accounts in VNAV by reviewing the access levels in that system.	The APA found that policies and procedures did not cover all the aspects they wanted and that some reconciliations had not been done timely or completely. There was also an issue with deleting access to VNAV timely.	Policies and procedures have been standardized for DBHDS facilities and Central Office. The access issue has been corrected. A revised VNAV reconciliation policy/procedure was sent out to all DBHDS HR managers on October 25, 2017. All DBHDS facilities submitted their revised VNAV reconciliation procedures by December 14, 2017. Training on the VNAV reconciliation was held on December 14, 2017. The VNAV reconciliation will be added to the ARMICS work completed by all DBHDS facilities and Central Office. Revised VNAV Reconciliation procedures have been received from all DBHDS facilities. These documents are being reviewed to ensure that they include all necessary steps in the reconciliation process. Update: FY 2018 Payroll audits performed by APA and Internal Audit showed some VNAV Reconciliation deficiencies are still occurring at some facilities. While all DBHDS facilities now have policies and procedures in place, it appears they are not always being properly followed. DBHDS will work with its facilities to ensure all employees are trained on the procedures.	FY 2018 Payroll audits performed by APA and Internal Audit showed some VNAV Reconciliation deficiencies are still occurring at some facilities. While all DBHDS facilities now have policies and procedures in place, it appears they are not always being properly followed. DBHDS will work with its facilities to ensure all employees are trained on the procedures.
2016	89	2016-068	Improve Controls over my VRS Navigator	N/A	-	DBHDS	See Finding Number 2017-077				

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2015	85	2015-081	Improve Controls over the my VRS Navigator System	N/A	-	DBHDS	See Finding Number 2016-068				
2014	105	2014-063	Improve Controls Over VNAV	N/A	-	DBHDS	See Finding Number 2015-081				
2016	33	2016-018	Improve SQL Database Security	N/A	-	DBHDS	Resolved - corrective action is completed				
2016	41	2016-026	Improve Access Controls over Financial Management System	N/A	-	DBHDS	Resolved - corrective action is completed				
2015	36	2015-032	Improve Internal Controls over Systems Access	N/A	-	DBHDS	See Finding Number 2016-026				
2014	78	2014-048	Improve Controls Over Systems Access	N/A	-	DBHDS	See Finding Number 2015-032				
2013	21	2013-010	Remove Access Promptly Upon Employee Termination	N/A	-	DBHDS	See Finding Number 2014-048				
Department of Health											
2017	43	2017-024	Improve Timely Removal of Critical Access	N/A	-	VDH	Corrective action is ongoing	The VDH Process Improvement Analyst formed a team to review the HR14 process, and multiple solutions are under review by the process improvement team and Deputy Leadership Team. The chosen solution will be utilized to address the recommendation and mitigate as much human error and intervention as possible for terminating user access.	Corrective action has not been completed.	Project is underway.	Repeating finding in FY17 audit and process improvement project has identified solutions that have been approved for implementation by leadership. Information Management has implemented an interim solution for accounts tied to the COV and is beginning work for automating the HR-14 process.
2016	34	2016-020	Improve Timely Removal of Critical Access	N/A	-	VDH	See Finding Number 2017-024				
2015	31	2015-026	Improve Access Management for Critical Systems	N/A	-	VDH	See Finding Number 2016-020				
2014	62	2014-038	Improve Access Management to Information Systems	N/A	-	VDH	See Finding Number 2015-026				
2017	65	2017-045	Improve Database Security	N/A	-	VDH	Resolved - corrective action is completed				
2016	64	2016-045	Ensure Oversight of Third Party Service Providers	93.917	-	VDH	Resolved - corrective action is completed				
Department of Medical Assistance Services											
2017	27	2017-009	Improve Collective Knowledge of Annual Accrual Reporting	N/A	-	DMAS	Corrective action is ongoing	DMAS will enhance formal policies and procedures that document the accrual process, including workflows, timelines, and resulting reports/documentation. In addition, DMAS will establish a review process to include an analysis of historical projections compared to actual accruals, identify unexpected inconsistencies, sufficiently explain variances and update projection data if needed. (Such policies, procedures and review will be completed prior to the next annual accrual submission, September 30, 2018.) In addition, the Budget Division will institute an internal policy that informs Division staff how to effectively streamline audit responses and insure proper information is communicated with	CAP still in progress.	Formal policies are being documented and a procedure manual with instructions on how to complete the report is well underway. The manual will serve as a guide for employees to follow as they develop accrual reports and allow employees to determine if unexpected variances or inconsistencies occur in the reports. The Budget Division is on track to complete the corrective action by the next annual accrual submission, September 30, 2018.	No differences from previously reported CAWP.

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								external audit staff. This corrective action will ensure that external audit staff receive complete and accurate information regarding accruals. (An email was sent by Budget Director on December 13, 2017 to all Budget Division staff outlining policy and a copy was saved to the Orientation folder on the Division's shared drive.)			
2017	32	2017-014	Complete Annual Review for the Current Claims Processing System	Medicaid Cluster	-	DMAS	Resolved - corrective action is completed				
2017	33	2017-015	Develop Processes to Facilitate the Controlling of Privileges in the Claims Processing System	Medicaid Cluster	-	DMAS	Corrective action is ongoing	DMAS will continue to perform the manual access reviews of its Current Claims Processing System and will review for conflicts of segregation of duties and ensure that users have the proper role needed for their responsibilities. The replacement for the Current Claims Processing System (i.e. the New Claims Processing System) will emphasize profile and role-based security. All profiles and roles will be documented in business terms, including a conflict matrix, so that managers, security and IT can clearly see what is being granted and what cannot be granted in combinations. Profiles and role base security will be implemented as each New Claims Processing System module is implemented. All New Claims Processing System components are expected to be implemented by March 31, 2020.	CAP is a long-term process and therefore, still in progress.	On January 3rd, Accenture was awarded the contract for a new system. Accenture has sixteen established roles and a conflict matrix, External consultant, John Brightly from Assura, is on board to help with definition of roles and the conflict matrix working with Accenture on the new system.	DMAS will be hiring a consultant to develop role-based access, conflict matrix and management orientation to review and approve processes associated with data access.
2017	34	2017-016	Remove Access to the Current Claims Processing System in a Timely Manner	Medicaid Cluster	-	DMAS	Corrective action is ongoing	Currently, the process for removing an individual's Current Claims Processing System access is a completely manual process. DMAS is in the process of developing an automated workflow process for termination of system access. Termination notices will be communicated directly to the Office of Compliance and Security (OCS) by the employee's manager. OCS will have a daily dashboard of employees to be removed from the system. OCS projects this process will be implemented by March 1, 2018.	Implementation delayed due to other priorities.	DMAS is developing an Exit Clearance Automation workflow process for termination of system access.	No differences from previously reported CAWPS.
2017	35	2017-017	Ensure Employees have Proper Access Roles within the Commonwealth's Procurement System	Medicaid Cluster	-	DMAS	Corrective action is ongoing	In September 2017, the account with the "No Supervisor" role in Commonwealth's procurement system was reassigned from the acting Procurement Manager to the current Procurement and Contract Management (PCM) Division Director. The PCM Division Director or his designee will work as the "Entity Lead" with the System Security Officer and DGS to ensure that proper	Still need to document procedures.	Process has been set up for PCM Entity Lead to communicate changes in access roles to Security Officer. DMAS CISO has reviewed the training materials, eVA Security Policy and Standards. Received clarification from eVA Global Security Officer on DMAS's access roles.	No differences from previously reported CAWPS.

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								user access is established and maintained in Commonwealth's procurement system. The Entity Lead will disseminate changes in access roles to the System Security Officer. The System Security Officer will document a standard procedure of administering and reviewing user access and will work with the Entity Lead during the annual user access review. The former DMAS ISO retired during the audit. The acting ISO will obtain Commonwealth procurement system training in order to understand and implement procurement system security requirements for DMAS. This will allow him to introduce effective review and revision procedures. The training will be scheduled during the first quarter of 2018 and DMAS OCS will begin directly administering the procurement system by March 31, 2018.			
2017	48	2017-028	Perform the Required Information Technology Review	Medicaid Cluster	-	DMAS	Resolved - corrective action is completed				
2016	85	2016-064	Perform Information Technology Review as Required	Medicaid Cluster	-	DMAS	See Finding Number 2017-028				
2017	66	2017-046	Review and Document Service Organization Control Reports of Third-Party Service Providers	Medicaid Cluster	-	DMAS	Corrective action is ongoing	<p>Develop internal protocol with stakeholders, including PCM, Information Management, Contract Administrators and others as needed, to implement SOC receipt and review requirement for required DMAS contracts. Policies and Procedures to include:</p> <p>1) Coordination and responsibilities between, PCM, Contract Administrator and subject matter experts;</p> <p>2) Language in contracts identified as having significant fiscal transactions through use of developed tool for the Contractor to provide appropriate SOC report on a regular basis;</p> <p>3) Update semi-annual contractor performance evaluation form used by Contract Administrators to include as appropriate: a) Confirmation of receipt of annual SOC report (yearly) from contractor and b) Confirmation of receipt of any Corrective Action Plan; and</p> <p>4) Include provisions for a DMAS mitigation plan for significant weaknesses found in SOC reports.</p>	CAWP not finished.	Corrective Action Taken as of September 30, 2017: 1) Developed new guidelines and procedures in the IT procurement process: a) Listing all required standards in RFP Template including SOC Reports and where to find detail; b) Requiring SOC 2 Type 2 reports in contract requirements for the New Claims Processing System contracts; and c) Establishing reporting timelines for oversight activities when the system is live (SOC II, Type 2 – Initial report due within 90 days of contract effective date, thereafter due annually); and 2) Completed following actions for SOC report reviews: a) Developed a SOC report review questionnaire template; b) Used the template to review SOC reports received from the Current Claims Processing System IT Contractor for its IT data center subcontractors; and c) Developed a SOC2 PowerPoint training explaining the SOC2 report, defining its purpose and how to review the document.	No changes in the previously reported corrective action plans.

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2016	62	2016-043	Review and Document Service Organization Control Reports of Third-Party Service Providers	Medicaid Cluster	-	DMAS	See Finding Number 2017-046				
2017	103	2017-081	Create Policies and Procedures to Ensure Compliance with Statement of Economic Interest Requirements	Medicaid Cluster	-	DMAS	Resolved - corrective action is completed				
2017	107	2017-084	Improve the Accounts Receivable Collection Process	Medicaid Cluster	-	DMAS	Corrective action is ongoing	The untimely and inaccurate processing of accounts receivable transactions is directly associated with the delayed automation in overpayment processing, backlog of receivables, and the lack of appropriate resources to focus earnestly on collection efforts. The Current Agency Accounting System upgrade was successfully implemented 11/13/2017. All divisional efforts were focused on the implementation of the Current Agency Accounting System upgrade thereby causing delays in projected enhancements to Accounts Receivable. Divisional resources will allow for automatic notifications and automatic retrieval of information needed to establish the receivable. Therefore, we will continue to work with the Information Management Division to implement those areas of greatest challenge are heavily entrenched in manual processes. also focus efforts on the implementation of the New Claims Processing Systems for financial systems and data warehouse. The Among these manual processes is Program Integrity's notification of recipient excess benefits. An automation project is in early development that will enhancements we are able to do amidst projects with a higher priority. Thus expected Fiscal AR automation will be completed by September 30, 2018. Fiscal AR is committed to improving the accounts receivable collection process and reducing the backlog of receivables. Therefore, with management approval, Fiscal AR will temporarily augment resources to effectively right-size the workload which will directly impact the reduction of the backlog and improve the timeliness in collection efforts. Increase resources are expected to be in place by June 30, 2018.	The untimely and inaccurate processing of accounts receivable transactions is directly associated with the delayed automation in overpayment processing, backlog of receivables, and the lack of appropriate resources to focus earnestly on collection efforts.	Fiscal has implemented automation for receiving notice of provider receivables and setting them up on the system. The automation loads invoices and alerts the fiscal division when it is time to send cases to the OAG. The unit is scanning overpayment documents and storing electronically which allows them easier access to the files. Program Integrity partnered with Information Management to leverage Medicaid Enterprise Systems to meet their needs with case management and analytics. Program Integrity is introducing a new system that will serve as an analytical tool to manage cases. The new system goes live in November 2018 and will replace FAIR. After the new system goes live, Fiscal will partner with Program Integrity to discuss the system enhancements of electronic reporting or the capability to interface with TPLRS to further automate the member receivable process. In the meantime, Fiscal has increased staffing with temporary resources to assist with member receivables.	The division that performs the audits will be implementing a new system that will serve as an analytical tool to manage cases. Fiscal will partner with the division to add system enhancements of electronic reporting or the capability to interface with TPLRS to further automate the member receivable process.
2016	103	2016-080	Continue Improving Accounts Receivable Collection Process	Medicaid Cluster	-	DMAS	See Finding Number 2017-084				
2016	59	2016-041	Correct Operating Environment and Security Issues Identified by Their Security Compliance Audit	Medicaid Cluster	-	DMAS	Resolved - corrective action is completed				

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2015	72	2015-068	Correct Operating Environment and Security Issues Identified by their Security Compliance Audit	Medicaid Cluster	-	DMAS	See Finding Number 2016-041				
2014	44	2014-027	Correct Operating Environment and Security Issues Identified by their Security Compliance Audit	Medicaid Cluster	-	DMAS	See Finding Number 2015-068				
2012	19	2012-014	Address Findings in Internal Audit Report	Medicaid Cluster	-	DMAS	See Finding Number 2014-027				
Department of Social Services											
2017	51	2017-031	Improve Database Security for Financial Reporting System	N/A	-	DSS	Corrective action is ongoing	Finding 2017-031 was marked as FOIAE under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls. Corrective action updates will be provided to the Auditor of Public Accounts under separate cover.	On-going corrective actions	Four new technical security adjustments completed in the June 30 quarter.	Changes to the Environment since March: 4/14 - Sr 1864 Profile Changes (CR 842 4/19 - Strong Password Change on all Prod DB's 4/22 - DB Profile Changes II SR 1864 - CR 852 5/3 - DB Profile Changes III - SR 1864 - DR 866 5/10,5/17,6/8 - DB Profile Changes
2017	52	2017-032	Continue Improving Database Security for Case Management System	Medicaid Cluster	-	DSS	Corrective action is ongoing	Finding 2017-032 was marked as FOIAE under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls. Corrective action updates will be provided to the Auditor of Public Accounts under separate cover.	Social Services does not secure the database supporting its financial reporting system in accordance with the Security Standard and industry best practices. Five control weaknesses were identified and communicated the details of these weaknesses to management in a separate document marked FOIAE under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls. The Security Standard requires agencies to implement certain minimum controls to safeguard data that is stored in database systems. This serves to reduce unnecessary risk to data confidentiality, integrity, and availability. By not implementing the controls discussed in the FOIAE communication, the system's database is not secure against known vulnerabilities. This increases the risk for malicious users to exploit those vulnerabilities and compromise sensitive Commonwealth data. Social Services' lack of necessary resources contributed to the weaknesses in the database. In addition, Social Services lacks enterprise-wide processes to implement consistent settings and controls throughout the database environments. Social Services should allocate the necessary	Four new technical security adjustments completed in the June 30 quarter.	4/14 - Sr 1864 Profile Changes (CR 842 4/19 - Strong Password Change on all Prod DB's 4/22 - DB Profile Changes II SR 1864 - CR 852 5/3 - DB Profile Changes III - SR 1864 - DR 866 5/10,5/17,6/8 - DB Profile Changes

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									resources to ensure that database configuration, settings, and controls align with the requirements in the Security Standard and industry best practices, such as the CIS Benchmark. Additionally, Social Services should consistently implement controls across all of its systems. Doing this will help maintain the confidentiality, integrity, and availability of sensitive and mission critical data.		
2016	32	2016-017	Improve Database Security	Medicaid Cluster	-	DSS	See Finding Number 2017-032				
2017	70	2017-050	Continue Improving Oversight of Third-Party Service Providers	Medicaid Cluster	-	DSS	Corrective action is ongoing	On August 5, 2017, DSS updated Section H- EXTERNAL INFORMATION SYSTEM SERVICES & THIRD PARTY SERVICES (SA-9) of the VDSS Information System and Services Acquisition Security Policy. The policy requires the agency to collect and review: SEC 525 GAP Analysis (similar to ECOS checklist); SOC II, Type II audits, or evidence of any IT security audits that were performed to SEC 520 standards against SEC 525 compliance. On a weekly basis Information Security Risk Management (ISRM) is working the department's Division of General Services' Contracting team to review ECOS and non-ECOS documentation. ISRM is on track to document this procedure and attach it to the policy document by the implementation date.	Social Services continues to develop a formal process to maintain oversight over third-party IT service providers (providers). Social Services has outsourced several of its mission critical business functions, such as IT services, Child Support Enforcement call centers, and benefits administration services. Since the prior year audit, Social Services developed a formal policy to maintain oversight over providers and developed contract language to include in all contracts with providers. Prior to implementing the formal policy, Virginia Information Technologies Agency (VITA) began its Enterprise Cloud Oversight Services (ECOS) that all executive branch agencies must use for providers that meet certain criteria. Social Services consulted with VITA to determine which providers must use ECOS, delaying Social Services from implementing an internal oversight process for providers that do not qualify for ECOS.	DSS Security and procurement staff are working and negotiating with vendors to improve ECOS compliance.	Since the last report, VITA has added the VDSS ISO to the distribution list for monthly ECOS reporting. The monthly reports go to DSS Contracting, CIO, System Owner, and ISO.
2016	63	2016-044	Improve Oversight of Third Party Service Providers	Medicaid Cluster	-	DSS	See Finding Number 2017-050				

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2017	85	2017-064	Improve Policies, Procedures, and Plans for Backup and Restoration	Medicaid Cluster	-	DSS	Corrective action is ongoing	Finding 2017-064 was marked as FOIAE under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls. Corrective action updates will be provided to the Auditor of Public Accounts under separate cover.	Social Services continues to not update its policies and procedures for backup and restoration to reflect the current process. Specifically, the Business Impact Analysis (BIA) includes Recovery Point Objectives (RPOs), but the continuity planning documents do not include RPOs. Additionally, the backup and recovery services provided by the IT Partnership do not support the RPOs identified by the business owners. Furthermore, Social Services has not documented and approved its backup and restoration plans. The Security Standard, section CP-9, requires an agency to conduct backups in the information system in accordance with the organization-defined frequency consistent with recovery time and recovery point objectives. Section CP-9-COV of the Security Standard requires that an agency develop and implement documented backup and restoration plans to support the restoration of systems, data, and applications in accordance with agency requirements. Additionally, the Security Standard, section 3.2, requires that an agency document the RPOs for each system required to recover a mission essential function or primary business function. Without maintaining robust IT risk management plans and contingency plans that accurately reflect the current process, Social Services may not be able to consistently govern the Partnership's backup and restoration efforts to meet operational needs. Without formal, approved backup and restoration plans, dependent on software applications after system failure. The business recovery needs do not align with the current backup and restoration processes. This is due to Social Services lacking resources and other competing priorities within the IT environment. Social Services may not be able to successfully restore mission essential functions that are	An updated continuity plan was submitted to VDEM on April 1, 2018. DIS and Informations security staff are working with system owners to align disaster recovery (DR) with the business continuity plan.	On 14 May, the DSS Continuity Coordinator began working with System Owners to on RPO discrepancies. As of 30 June, 30% system owners had responded by acknowledging acceptance of the DR solution.

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									dependent on software applications after system failure. The business recovery needs do not align with the current backup and restoration processes. This is due to Social Services lacking resources and other competing priorities within the IT environment.		
2016	76	2016-055	Improve Policies, Procedures, and Plans for Backup and Restoration	Medicaid Cluster	-	DSS	See Finding Number 2017-064				
2017	104	2017-082	Obtain and Retain Statement of Economic Interest Training Records	N/A	-	DSS	Corrective action is ongoing	DSS will use the Commonwealth of Virginia Learning Center (COVLC) to obtain and retain Statement of Economic Interest (SOEI) training records. Training records will be maintained in the COVLC for perpetuity, satisfying the minimum five-year retention requirement. Should the current COVLC be replaced by a new system or platform, VDSS will ensure that all historical SOEI training records are migrated to the new COV learning system. DSS will use the Office of Attorney General's SOEI training module, deemed acceptable by the Ethics Council. The SOEI training content has been loaded into the COVLC. The DSS SOEI Coordinator notified all VDSS employees within positions of trust to complete the required SOEI training by January 5, 2018. DSS has also obtained the SOEI training attendance records for VDSS employees from The Ethics Council. These records have been updated and are now available in the COVLC. Going forward, VDSS will use the e-mail notification features of the COVLC to ensure that VDSS employees within positions of trust are notified to take their required SOEI training every 24 months. At least 60 days in advance of their two-year training period expiration date, employees within positions of trust will be notified by email that they must take SOEI training again. New employees will continue to be notified of the SOEI training requirement during their recruitment, and will be configured in the COVLC during on-boarding, and complete SOEI training as required. These actions have been documented into the SOEI Procedures within the Division of Organizational Development. The procedure documents are maintained by and have been implemented by the VDSS SOEI Coordinator.	On-going corrective action.	Revised operating procedure implemented.	Revised internal operating procedure implemented.

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Virginia Alcoholic Beverage Control Authority*												
2017	63	2017-042	Improve Database Security	N/A	-	ABC	Corrective action is ongoing	ABC recently upgraded our primary databases to the most current version; after the upgrade, ABC requested that the APA review the databases to ensure that we had the proper hardening and controls implemented. The APA provided a list of potential deficiencies and benchmark standards. ABC has implemented the controls and configurations that we were able to, and for any that may remain, ABC will document our business need, will explore mitigating, compensating controls, and will pursue security exceptions as may be necessary.	Corrective action is ongoing.	Project is in flight. While we believe we have corrected the deficiencies noted in the PY audit, the APA is currently conducting their FY18 audit and is evaluating our progress. We will leave this Finding open and in progress until we receive an opinion from the APA.	None	
2017	79	2017-059	Upgrade or Decommission End-of-Life Operating Servers	N/A	-	ABC	Resolved - corrective action is completed					
2016	47	2016-032	Finalize Security Exception Request for Unsupported Databases	N/A	-	ABC	See Finding Number 2017-059					
2015	60	2015-055	Finalize Security Exception Requests for Unsupported Databases	N/A	-	ABC	See Finding Number 2016-032					
2014	27	2014-013	Improve Database Security	N/A	-	ABC	See Finding Number 2015-055					
2016	27	2016-011	Improve Web Application Security	N/A	-	ABC	Resolved - corrective action is completed					
2015	35	2015-030	Improve Web Application Security	N/A	-	ABC	See Finding Number 2016-011					
2016	48	2016-033	Develop and Adopt a Comprehensive IT Strategic Plan to Modernize Systems	N/A	-	ABC	Resolved - corrective action is completed					
Department of Corrections (Central Administration)												
2017	47	2017-027	Perform Annual Access Certifications for Information Systems	N/A	-	DOC/CA	Resolved - corrective action is completed					

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2017	97	2017-076	Comply with 1,500 Hour Rule for Wage Employees	N/A	-	DOC/CA	Corrective action is ongoing	The DOC Human Resource Manager will develop a memorandum to alert all levels of staff of their responsibility to uphold the integrity of the 1,500 hours rule for wage employees. The memorandum will address supervisory accountability for maintaining hours within established thresholds. DOC will institute a maximum of 1,450 hours during the wage tracking year (May 1st through April 30th) for all wage employees. Any individual exception to work beyond the 1,450 hour threshold will require the approval of the respective Deputy Director or their appointed designee. Supervisors who allow employees to exceed 1,450 hours will be subject to discipline under Standards of Conduct, and depending on the severity of the situation may be terminated for not following guidelines.	Since the APA did not have their Exit Conference with the DOC until October 12th of 2017, the APA has not determined this finding recurring. Due to the complexity of this corrective initiative, additional time is needed to ensure all corrective actions have been completed and are working as expected.	DOC's HR Director transmitted a memo to the field on January 26th reminding staff to uphold the integrity of the 1,500 rule for wage employees. The internal 1,450 threshold issue was addressed and later briefed to executive staff, and subsequently to regional and facility leadership to reinforce its importance. The Human Resources Manager will send out quarterly updates to DOC Human Resources Officers to inform them of how many hours their wage employees have worked to date. During the last quarter of the tracking year, these reminders will be sent out on a monthly basis. This action plan is still a work in progress.	No Significant Differences.
2017	105	2017-083	Improve Controls Over Building and Grounds Inventory at Fluvanna Correction Center for Women	N/A	-	DOC/CA	Corrective action is ongoing	FCCW's Building and Grounds (B&G) staff will update the inventory items and ensure the most current purchase amounts are entered. The B&G Superintendent has been trained to review and complete all adjustments in the inventory management system and will ensure all inventory is entered correctly into the system and has supporting documentation. Additionally, the B&G Superintendent will ensure the storeroom door remains secured and controlled at all times by limiting access to one key with an electronic box. Staff will be instructed on the requirement to keep the storeroom door secure. Key access will be restricted to the B&G department and only authorized staff will receive access within the key watch system. Lastly, all new staff will receive system training within 90 days of employment. Monthly trade workers will conduct and document monthly audits of inventory items in their area of responsibility. The B&G Superintendent will conduct monthly spot checks of all items in the storeroom checking a minimum of 3 items per page.	Since the APA did not have their Exit Conference with the DOC until October 12th of 2017, the APA has not determined this finding recurring. Due to the size and complexity of this corrective initiative, additional time is needed to ensure all corrective actions have been completed and steps are in place to insure it is not a repeat finding.	The FCCW's Building and Grounds (B&G) staff continue to update inventory items and ensure the most current purchase amounts are entered. The B&G Superintendent has been trained to review and complete all adjustments in the inventory management system and ensures all inventory is entered correctly into and has supporting documentation. Additionally, the B&G Superintendent is ensuring the storeroom door remains secure and controlled at all times by limiting access to one key with an electronic box. Staff are being instructed on the requirement to keep the storeroom door secure. Key access is being restricted to the B&G department and only authorized staff is receiving access within the key watch system. Lastly, all new staff will receive system training within 90 days of employment. Monthly trade workers are working to conduct and document monthly audits of inventory items in their area of responsibility. The B&G Superintendent is working to conduct monthly spot checks of all items in the storeroom and checking a minimum of 3 items per page.	No Significant Differences.

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Department of Motor Vehicles												
2017	23	2017-006	Improve Controls over Financial Reporting	N/A	-	DMV	Corrective action is ongoing	DMV has met with Department of Accounts to determine the new supplemental attachments required for 2017 to address Financial Reporting and Advance Payments for Motor Vehicle License Fees. We have determined internal programming is necessary to accommodate the upcoming directive. 1. Supplemental attachments will be required by DOA for FY2017 to account for Advance Payments as a footnote in the CAFR. Completion March 2017. 2. Capital Assets procedures have been updated/established to include contacting DOA FAACS management to obtain the historical value of the "selling" agency's asset as corrective action for recording the DMV value on FAACS for all partner agencies to determine if property is considered a purchase/sale /transfer under Fixed Assets. Completion January 2017 3. Procedures for payables for vendors, refunds, and commitments have been updated to account for payables under the new Cardinal system. New/Updated internal procedures for Good Received Dates have been implemented as of March 2017. 4. ARMICS procedures have been implemented to properly record and test Financial Statements that are deemed required due to significant materiality, have a high risk to stakeholders and/or have a high degree of public visibility. Completion Date April 2017.	New findings stemming from recent APA Audit--Prior issues #1, #2, #4 were completed and corrected. #3 was a partial repeat due to Grants Payables and a repeat of Special Plate Refunds. Wholesale Fuels Taxes were not properly reported and resulted in Payable and Receivable adjustments being made prior to DOA's CAFR submission.	Initial meetings with Internal and External Parties have been held.	DMV understands its responsibility to accurately prepare CAFR reports and made improvements this year. We also understand that there is still work to be done in particular as it relates to all payable and receivable types. While all funds were collected, accounted for and distributed correctly, we acknowledge the CAFR reporting errors that were made and know how to correct those for the next reporting period. We need to be more proactive in our approach to financial reporting. Consequently, the Fiscal Year End work plan provided by the DMV Controller to all divisions to ensure they are aware and up to date on DOA requirements will be changing. DMV is in the process of procuring services to assist with redesigning the financial reporting process with a more thorough internal control environment to ensure that all submissions to DMV Finance are accurate and properly reviewed internally before submission to DOA. This will include training of staff, development of checklists, policies and processes to ensure that all financial reporting is completely both timely and accurately.	
2016	16	2016-003	Improve Controls over Financial Reporting	N/A	-	DMV	See Finding Number 2017-006					
2017	64	2017-044	Improve Database Security	N/A	-	DMV	Resolved - corrective action is completed					

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2017	74	2017-054	Improve Information Technology Change Management Program	N/A	-	DMV	Corrective action is ongoing	DMV recognizes its obligation for the protection of configuration information found within change management requests and is taking the steps necessary to improve it. The current process utilized VITA services that were considered secure in the past but have since been determined deficient for our needs. The agency had multiple representatives on the selection team for the new VITA Managed Service Integrator, and provided security requirements for the change management platform being delivered. With the impending implementation of the new platform this year, the agency feels it's in the best interest of the taxpayers that we not invest in new solution today but instead establish a series of mitigating controls that will ensure the required level of protection while we focus our resources on the migration to the new platform being provided.	Corrective action is ongoing.	1. Migrated the hosted platform. 2. All systems not report through the Agency CAB. 3. Started the rollout of encrypted email to protect the configuration information.	Mitigating controls are being deployed.
2017	89	2017-068	Continue Improving Application Security Controls	N/A	-	DMV	Corrective action is ongoing	DMV will insure all authentication controls meet the requirements of SEC501-09.	Risk was accepted in the past, now it's being mitigated due to the number of breaches in other systems that could potentially provide enough information for someone to guess our short password.	1. Project plan completed, work is underway. 2. Mainframe impact has been determined. 3. Cost impact has been determined. 4. Resources have been identified.	DMV understands the need for a comprehensive set of controls for ensuring proper authentication of applications and is taking the necessary steps to bring our current technical controls into alignment with Commonwealth security standards. For a successful implementation, the underlying infrastructure was first upgraded to ensure a solid platform to build upon. With the new infrastructure in place the development team's effort has been applied to the changes needed in the application to update the controls. Understanding that the impact to the Commonwealth is significant, an extensive amount of code review and testing is required which was the driving force behind the established timeline for the project.
2016	79	2016-058	Improve Application Security Controls	N/A	-	DMV	See Finding Number 2017-068				
2015	17	2015-008	Improve System Authentication Controls	N/A	-	DMV	See Finding Number 2016-058				
2016	52	2016-036	Continue to Improve IT Software Maintenance and Management Controls	N/A	-	DMV	Resolved - corrective action is completed				
2015	58	2015-053	Improve IT Software Maintenance and Management Controls	N/A	-	DMV	See Finding Number 2016-036				
2016	69	2016-049	Continue to Improve Database and Application Baseline Security Configurations	N/A	-	DMV	Resolved - corrective action is completed				
2015	17	2015-009	Continue to Improve Database and Application Baseline Security Configurations	N/A	-	DMV	See Finding Number 2016-049				

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2014	17	2014-005	Develop Database and Application Baseline Security Configurations	N/A	-	DMV	See Finding Number 2015-009				
2013	43	2013-025	Improve Database Management System Security	N/A	-	DMV	See Finding Number 2014-005				
2012	13	2012-006	Improve Database Security	N/A	-	DMV	See Finding Number 2013-025				
2011	23	2011-012	Improve Database Security	N/A	-	DMV	See Finding Number 2012-006				
2013	24	2013-012	Improve User Access Controls	N/A	-	DMV	Resolved - corrective action completed				
2012	25	2012-018	Improve User Access Control Across Systems	N/A	-	DMV	See Finding Number 2013-012				
Department of Transportation											
2017	19	2017-004	Improve Internal Controls over Financial Reporting of Service Concession Arrangements	N/A	-	VDOT	Corrective action is ongoing	The Fiscal Division has added a full-time position assigned to infrastructure capitalization , to include reporting on service concession arrangements. The Department will develop a more comprehensive process to identify, understand, monitor, disclose, and account for service concession arrangements.	This is a partial repeat finding from the FY17 APA audit. For the FY 18 APA audit, APA has determined VDOT Service Concession Arrangement policies and procedures covering the determination of and accounting for service concession arrangements updated for FY18 are not complete in some areas and could be subject to interpretation.	Current Service Concession policy is under review for compliance with FY18 APA finding on SCA policies and procedures.	Current Service Concession policy and procedure to be revised for compliance with FY18 APA finding on SCA policies and procedures
2017	21	2017-005	Improve Internal Controls over Financial Reporting	N/A	-	VDOT	Resolved - corrective action is completed				
2017	91	2017-071	Complete Separating Employee Checklists Timely	N/A	-	VDOT	Corrective action is ongoing	The Department has implemented an automated means for monitoring submission of separating employee checklists.	After the first finding, it took a few months to develop, communicate and implement the new procedures. This new procedure was launched in March 2018 - midway through the fiscal year.	In March 2018, Human Resources revised the Employee Separating Checklist and launched this along with a standard operating procedure outlining roles and responsibilities and the new procedure for collecting the checklists. This information was communicated to all Transportation supervisors and District Human Resource Managers following the rollout.	In addition to a new automated process for submitting separating employee checklists, HR is now tracking and monitoring the submittals on a monthly scorecard.
2017	99	2017-078	Continue to Improve Internal Controls over Retirement Contribution Reconciliations	N/A	-	VDOT	Resolved - corrective action is completed				
2016	92	2016-070	Retain Documentation Supporting Retirement Contribution Reconciliations	N/A	-	VDOT	See Finding Number 2017-078				
2016	68	2016-048	Continue to Develop and Implement Formal IT Hardening Policies and Procedures	Highway Planning and Construction Cluster	-	VDOT	Resolved - corrective action is completed				
2015	23	2015-018	Develop and Implement IT Hardening Procedures	Highway Planning and Construction Cluster	-	VDOT	See Finding Number 2016-048				

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2014	56	2014-033	Improve Information Security Program	N/A	-	SCC	Corrective action is ongoing	The Commission will dedicate resources to improve the information security program, and will develop a plan to draft and implement the specific policies and procedures noted in the APA findings in accordance with the SEC501 standard. That plan will also address development of a gap analysis between the current information security program and the SEC501 standard.	Policy review process was revised which delayed the drafting and review of the control policies and procedures needed as cited by the APA.	A new policy drafting process has been implemented at the SCC to streamline the review of future policy drafts by the IS Policy Committee.	no significant difference	
<u>Virginia Lottery</u>												
2017	57	2017-037	Improve Vulnerability Mitigation Efforts	N/A	-	VAL	Resolved - corrective action is completed					
2017	56	2017-036	Improve Application and Database Controls over the Enterprise Resource Planning System	N/A	-	VAL	Corrective action is ongoing	Update and implement new procedures and corrective actions to implement controls to align operations with industry best practices and the Commonwealth's Information Security Standard, SEC 501-09.	Corrective action was not expected to be completed, which is why the status is still In Progress.	Continuing to implement control improvements as planned.	Delayed implementation of one aspect of the corrective action plan due to technical issues.	
2016	25	2016-010	Improve Application and Database Controls over the Dynamics AX Financial System	N/A	-	VAL	See Finding Number 2017-036					
2017	31	2017-013	Properly Record Fixed Asset Additions	N/A	-	VAL	Resolved - corrective action is completed					
<u>FEDERAL AWARD FINDINGS</u>												
<u>U. S. Department of Agriculture</u>												
2017	111	2017-087	Match Federal Grants with Qualifying State Expenses	10.205	\$2,509,998	VSU	Resolved - corrective action is completed					
2017	112	2017-088	Strengthen Subrecipient Monitoring Process	10.558	-	VDH	Resolved - corrective action is completed					
<u>U. S. Department of Commerce</u>												
2017	113	2017-089	Improve Controls over Federal Reporting	Economic Development Cluster	-	VSBFA	Corrective action is ongoing	Financing Authority should implement policies and procedures, to include a documented review process, over the reporting process to ensure accurate reporting of RLF information to EDA and retain all support for material amounts reported.	After subsequent consultation with APA, VSBFA is making additional modifications to our internal procedures for preparation and review of the federal EDA semi-annual report and annual SEFA report in order to further clarify.	Existing VSBFA procedures for preparation and review of the federal EDA semi-annual report and annual SEFA report are being further clarified with additional details.	Existing procedures are being further refined for additional clarity.	
<u>U. S. Department of Defense</u>												
2017	114	2017-090	Strengthen Internal Controls over Federal Awards	12.401	-	DMA	Corrective action is ongoing	Properly classify all expenses to the correct CFDA number. Update policies and procedures to address how DMA allocates costs by program, project, or facility.	Lack of understanding concerning the original finding.	Hiring request has been revised to indicate funding source. There is no allocation of personnel costs across programs; they only work for one program, per federal appropriations law.	Discussions with APA personnel clarified the finding.	

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2017	116	2017-091	Comply with Statewide and Agency Procurement Policies and Procedures	12.401	-	DMA	Corrective action is ongoing	Maintain a comprehensive master listing of all term contracts. Conduct a data call for all subordinate procurement departments to identify current term contracts, ending dates, renewal dates, etc. Develop and enforce an SOP that captures all term contracts and post them to a common location. Obtain date stamps for all offices that receive bids/proposals and other procurement documents instead of hand writing date/time of receipt. Establish a system to ensure copies of bids are posted in a public area.	It took a lot longer to get guidance on using eVA as the central repository for contracts than we had planned.	We have the spreadsheet with all data fields needed and a plan to collect master list information and display in a common intranet site. Guidance was issued to all departments, but the policy was not updated.	Numerous State Active Duty missions other competing requirements delayed receipt of feeder data from agency elements. All but one department has responded. Agency Procurement Policy will be updated to require automated date/time stamps. Agency Procurement Policy will be updated to require posting to VBO.	
U. S. Department of Education												
2016	106	2016-082	Continue to Improve IT Governance	84.126	-	DARS	Corrective action is ongoing	The IT Policy Manual will be updated by September 30, 2016 to reflect SEC501-09 and approved by Management. Afterwards, as SEC501 is updated the IT Policy Manual will be updated accordingly. The security function will facilitate standard installation and configuration guide for its sensitive database that, at a minimum, meets the requirements in the Commonwealth's Information Security Standard. Risk assessments will be completed for all sensitive applications by December 31, 2016. The Security function has moved to the Internal Audit Division, which Commissioner. A Security Policies Committee will be set up to review and approve Security Policies. The committee will include members from IT, Security, and Audit (advisory capacity only). This division reports directly to the DARS Commissioner and the ISO will have a dotted line to the DARS. The reporting structure under the ISO will remain the same. The WWRC ISO and the Security Analyst will continue to report to the ISO full time. Two employees from the Policy and Planning Division will work for the ISO on a part time basis. One individual will be responsible to assist with the BIAs and the other individual will be responsible to work on the IT Policy Manual.	Employee turnover and aligning resources between policy development and operational security staffing.	Hiring/Retaining Staff and conducting Risk Assessments in accordance with the rolling Three-Year Risk Assessment Plan.	We are continuing to update the Risk Assessments.	
2015	103	2015-098	Improve Compliance Over Enrollment Reporting	Student Financial Assistance	-	BRCC	Resolved - corrective action is completed					

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				Programs		CVCC	Corrective action is ongoing	The VCCS is working to enhance the unofficial withdrawal reporting process to NSLDS through the National Student Clearinghouse. Until a solution can be identified, the College will be completing reporting of unofficial withdrawals directly through the website interface.	The recurrence was due to the ongoing evaluation and modification of the Student Information System processes. Additionally, the College Registrar position had been vacant and was filled during this time period.	Follow-up September 30, 2018: The final stage of completing this assignment rested in two distinct areas: 1) VCCS-Developed File Generation process is now complete, so that accurate data is transmitted to the NSC, and subsequently the NSLDS, making manual NSLDS updates (that may be overwritten by subsequent NSC data) unnecessary. 2) The College has recently committed resources to further improving the staffing level in the financial aid office, so that the office can further demonstrate administrative effectiveness in the administration of Title IV programs. Follow-up December 31, 2018: The CVCC Dean of Enrollment Management has received confirmation from both the CVCC College Registrar and the VCCS Director of Financial Aid that the NSC file generation process has finally been corrected at the VCCS system-level, and enrollment files generated after June 2018 have incorporated the changes.	Follow-up September 30, 2018: The primary difference between Previously Reported Corrective Action and the Actual Corrective Action Taken rested in two key areas, both of which have now been implemented- 1) The ongoing problem - the inability for the colleges within the VCCS to generate correct data needed for accurate reporting, appears to have been resolved at the VCCS level. 2) The commitment of adequate resources for CVCC's financial aid office to be adequately staffed in such a manner as to ensure Title IV program integrity.
						GCC	Resolved - corrective action is completed				
						JMU	Resolved - corrective action is completed				
						JTCC	Resolved - corrective action is completed				
						MECC	Resolved - corrective action is completed				
						NSU	Corrective action is ongoing	The following changes have been implemented to the procedures the University has in place for processing Enrollment Verification reporting to the National Student Clearinghouse: (1). When the Enrollment Verification Coordinator receives and processes a withdrawal form, it will be logged into the National Student Clearinghouse website and an update will be made to the enrollment status to reflect the withdrawn status and date of withdrawal. (2). The National Student Clearinghouse file is transmitted every thirty (30) days. The Office Manager will run a report of students that withdrew from the University to validate that their statuses have populated correctly within the National Student Clearinghouse file before sending. (3). The Registrar will complete monthly e checks in the National Student Clearinghouse	The original compliance finding from 2015 related to withdrawal status submitted to the National Student Loan Data system (NSLDS) has been addressed; however, this finding continues its ongoing status due to new issue extracting the incorrect enrollment status	The Financial Aid Office personnel will work more closely with the Registrar to ensure timely and accurate reporting of enrollment verification records as well as error batches from the National Clearinghouse. The following procedures will be implemented: 1. Implement an enrollment status code equal to the value of 'withdrawal' to capture students who unofficially withdraw during the 10-week and final grading periods that resulted in receiving all "F" grades. 2. Generate reports to capture students who fail to return from fall to spring semester and spring semester semesters such that accurate reporting of students no longer enrolled at the University. 3. Review all batches uploaded to the National Clearinghouse to ensure that batches are accepted and error free. 4. Notify Financial Aid personnel of all batches sent to the National Clearinghouse during the 30-day process, 10-week and final grading periods, and between semester breaks	Previously reported correction action involved sending files more frequently throughout the year and verifying withdrawal status and date in the NSLDS system. Current corrective action plan coordinates the Financial Aid Office with the Registrars office to focus on unofficially withdraws and adding a quality control review on files sent to our third-party provider to accurately report enrollment data in NSLDS timely.

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								website to make sure that the withdrawn statuses have populated correctly on the students who have withdrawn from the University. The Registrar will also meet with the Default Manager, who handles the NSLDS, to make sure the withdrawn students are correctly reflected in the National Student Loan Data System (NSLDS).		for the purpose of verifying records in NSLDS.	
						PDCCC	Corrective action is ongoing	The required IT setups for the NSLDS upload will be reviewed, maintained and updated on a semester basis. The Admissions Department/Registrar will notify the Financial Aid Office when the upload has been completed. Both the College calendars for the Admissions Department/Registrar and the Financial Aid Office will be updated to ensure follow-up.	1) The Registrar is working with NSLC to identify and correct discrepancies for two students between what was reported to NSLC and what is reflected on NSLDS. 2) Five students from the graduation file are being reviewed regarding multiple programs. 3) Three students on the Return of Aid report were processed as unofficial withdrawals by Financial Aid staff although they had received an F grade and should have been treated for NSLC purposes as continuous enrollment for summer term, under NSLC guidance 4.4.4.	The Registrar and Financial Aid Coordinator have identified four additional reporting dates that will help ensure a file is sent monthly to NSLC for the 2018-19 year. Issues from previous years are resolved, with the exception of the need for a trained back-up for the Registrar and files being rejected by the NSLC. The College now has one contact point at NSLC to help resolve issues in a timely manner. In addition, staff are making on-sites visits to help the Registrar with the report submission and train the back-up position.	1) The Registrar had performed corrective action with the exception of training a back-up position. 2) When files are rejected by the NSLC, they appear late. Updates cannot be completed until rejected files are reviewed, researched, and resubmitted. 3) Conferrals are now performed on a timely basis three times a year. 4) The faculty grades file was sent twice for spring graduation to ensure both on-time and late submissions were captured.
						SWVCC	Resolved - corrective action is completed				
						VHCC	Resolved - corrective action is completed				
2014	147	2014-089	Improve Compliance Over Enrollment Reporting	Student Financial Assistance Programs	-	BRCC	See Finding Number 2015-098				
						JMU	See Finding Number 2015-098				
						SWVCC	See Finding Number 2015-098				
2012	57	2012-046	Improve Reporting to National Student Loan Data System	Student Financial Assistance Programs	-	CVCC	See Finding Number 2015-098				

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2015	105	2015-099	Perform and Document Monthly Reconciliations of Direct Loans	Student Financial Assistance Programs	-	CVCC	Corrective action is ongoing	The College will be hiring a Coordinator of Financial Aid that will be responsible for performing reconciliations. Under his or her guidance, proper training will be conducted for this business function. The Coordinator of Financial Aid will be communicating on a monthly basis to the Dean of Enrollment Management.	Follow-up September 30, 2018: Both the Accounting Manager and The Coordinator of Financial Aid perform individual monthly reconciliations in a compliant manner and maintain a monthly documented log of reconciliation actions. Upon advice of the APA auditor, more detailed documentation needs to be provided in order to demonstrate that both Student Financials and Financial Aid are not only reconciled in a compliant manner, but are able to demonstrate better communication with one another so that reconciliation totals between the two offices are exchanged on a monthly basis.	Follow-up September 30, 2018: The Coordinator of Financial Aid performs monthly reconciliations in a compliant manner and maintains a monthly documented log of reconciliation actions. The Financial Aid Coordinator and Business Office Manager continue to make progress toward communicating reconciliation totals between the two offices on a monthly basis, specifically, when there are outstanding funds in G5 to be drawn down for a batch of students that has been transacted close to the monthly statement date. In addition to corrective measures listed above, CVCC further demonstrated its commitment to strengthening Title IV program integrity by hiring additional staff in the financial aid office in July 2018. Follow-up December 31, 2018: The CVCC Financial Aid office and VCCS began working on common reconciliation procedures.	Follow-up September 30, 2018: The Coordinator of Financial Aid performs monthly reconciliations in a compliant manner and maintains a monthly documented log of reconciliation actions. The Financial Aid Coordinator and Business Office Manager continue to make progress toward communicating reconciliation totals between the two offices on a monthly basis, specifically, when there are outstanding funds in G5 to be drawn down for a batch of students that has been transacted close to the monthly statement date. In addition to corrective measures listed above, CVCC further demonstrated its commitment to strengthening Title IV program integrity by hiring additional staff in the financial aid office in July 2018.

U. S. Department of Health and Human Services

2017	32	2017-014	Complete Annual Review for the Current Claims Processing System ⁽¹⁾	Medicaid Cluster	-	DMAS	Resolved - corrective action is completed				
2017	33	2017-015	Develop Processes to Facilitate the Controlling of Privileges in the Claims Processing System ⁽¹⁾	Medicaid Cluster	-	DMAS	Corrective action is ongoing	DMAS will continue to perform the manual access reviews of its Current Claims Processing System and will review for conflicts of segregation of duties and ensure that users have the proper role needed for their responsibilities. The replacement for the Current Claims Processing System (i.e. the New Claims Processing System) will emphasize profile and role-based security. All profiles and roles will be documented in business terms, including a conflict matrix, so that managers, security and IT can clearly see what is being granted and what cannot be granted in combinations. Profiles and role base security will be implemented as each New Claims Processing System module is implemented. All New Claims Processing System components are expected to be implemented by March 31, 2020.	CAP is a long-term process and therefore, still in progress.	On January 3rd, Accenture was awarded the contract for a new system. Accenture has sixteen established roles and a conflict matrix, External consultant, John Brightly from Assura, is on board to help with definition of roles and the conflict matrix working with Accenture on the new system.	DMAS will be hiring a consultant to develop role-based access, conflict matrix and management orientation to review and approve processes associated with data access.

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2017	34	2017-016	Remove Access to the Current Claims Processing System in a Timely Manner ⁽¹⁾	Medicaid Cluster	-	DMAS	Corrective action is ongoing	Currently, the process for removing an individual's Current Claims Processing System access is a completely manual process. DMAS is in the process of developing an automated workflow process for termination of system access. Termination notices will be communicated directly to the Office of Compliance and Security (OCS) by the employee's manager. OCS will have a daily dashboard of employees to be removed from the system. OCS projects this process will be implemented by March 1, 2018.	Implementation delayed due to other priorities.	DMAS is developing an Exit Clearance Automation workflow process for termination of system access.	No differences from previously reported CAWPS.
2017	35	2017-017	Ensure Employees have Proper Access Roles within the Commonwealth's Procurement System ⁽¹⁾	Medicaid Cluster	-	DMAS	Corrective action is ongoing	In September 2017, the account with the 'No Supervisor' role in Commonwealth's procurement system was reassigned from the acting Procurement Manager to the current Procurement and Contract Management (PCM) Division Director. The PCM Division Director or his designee will work as the "Entity Lead" with the System Security Officer and DGS to ensure that proper user access is established and maintained in Commonwealth's procurement system. The Entity Lead will disseminate changes in access roles to the System Security Officer. The System Security Officer will document a standard procedure of administering and reviewing user access and will work with the Entity Lead during the annual user access review. The former DMAS ISO retired during the audit. The acting ISO will obtain Commonwealth procurement system training in order to understand and implement procurement system security requirements for DMAS. This will allow him to introduce effective review and revision procedures. The training will be scheduled during the first quarter of 2018 and DMAS OCS will begin directly administering the procurement system by March 31, 2018.	Still need to document procedures.	Process has been set up for PCM Entity Lead to communicate changes in access roles to Security Officer. DMAS CISO has reviewed the training materials, eVA Security Policy and Standards. Received clarification from eVA Global Security Officer on DMAS's access roles.	No differences from previously reported CAWPS.
2017	48	2017-028	Perform the Required Information Technology Review ⁽¹⁾	Medicaid Cluster	-	DMAS	Resolved - corrective action is completed				
2016	85	2016-064	Perform Information Technology Review as Required ⁽¹⁾	Medicaid Cluster	-	DMAS	See Finding Number 2017-028				

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2017	52	2017-032	Continue Improving Database Security for Case Management System ⁽¹⁾	Medicaid Cluster	-	DSS	Corrective action is ongoing	Finding 2017-032 was marked as FOIAE under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls. Corrective action updates will be provided to the Auditor of Public Accounts under separate cover.	Social Services does not secure the database supporting its financial reporting system in accordance with the Security Standard and industry best practices. Five control weaknesses were identified and communicated the details of these weaknesses to management in a separate document marked FOIAE under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls. The Security Standard requires agencies to implement certain minimum controls to safeguard data that is stored in database systems. This serves to reduce unnecessary risk to data confidentiality, integrity, and availability. By not implementing the controls discussed in the FOIAE communication, the system's database is not secure against known vulnerabilities. This increases the risk for malicious users to exploit those vulnerabilities and compromise sensitive Commonwealth data. Social Services' lack of necessary resources contributed to the weaknesses in the database. In addition, Social Services lacks enterprise-wide processes to implement consistent settings and controls throughout the database environments. Social Services should allocate the necessary resources to ensure that database configuration, settings, and controls align with the requirements in the Security Standard and industry best practices, such as the CIS Benchmark. Additionally, Social Services should consistently implement controls across all of its systems. Doing this will help maintain the confidentiality, integrity, and availability of sensitive and mission critical data.	Four new technical security adjustments completed in the June 30 quarter.	4/14 - Sr 1864 Profile Changes (CR 842 4/19 - Strong Password Change on all Prod DB's 4/22 - DB Profile Changes II SR 1864 - CR 852 5/3 - DB Profile Changes III - SR 1864 - DR 866 5/10,5/17,6/8 - DB Profile Changes

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2017	66	2017-046	Review and Document Service Organization Control Reports of Third-Party Service Providers ⁽¹⁾	Medicaid Cluster	-	DMAS	Corrective action is ongoing	<p>Develop internal protocol with stakeholders, including PCM, Information Management, Contract Administrators and others as needed, to implement SOC receipt and review requirement for required DMAS contracts. Policies and Procedures to include:</p> <p>1) Coordination and responsibilities between, PCM, Contract Administrator and subject matter experts;</p> <p>2) Language in contracts identified as having significant fiscal transactions through use of developed tool for the Contractor to provide appropriate SOC report on a regular basis;</p> <p>3) Update semi-annual contractor performance evaluation form used by Contract Administrators to</p> <p>a) Confirmation of receipt of annual SOC report (yearly) from contractor and b) Confirmation of receipt of any Corrective Action Plan; and</p> <p>4) Include provisions for a DMAS mitigation plan for significant weaknesses found in SOC reports.H513</p>	CAWP not finished.	Corrective Action Taken as of September 30, 2017: 1) Developed new guidelines and procedures in the IT procurement process: a) Listing all required standards in RFP Template including SOC Reports and where to find detail; b) Requiring SOC 2 Type 2 reports in contract requirements for the New Claims Processing System contracts; and c) Establishing reporting timelines for oversight activities when the system is live (SOC II, Type 2 – Initial report due within 90 days of contract effective date, thereafter due annually); and 2) Completed following actions for SOC report reviews: a) Developed a SOC report review questionnaire template; b) Used the template to review SOC reports received from the Current Claims Processing System IT Contractor for its IT data center subcontractors; and c) Developed a SOC2 PowerPoint training explaining the SOC2 report, defining its purpose and how to review the document.	No changes in the previously reported corrective action plans.
2016	62	2016-043	Review and Document Service Organization Control Reports of Third-Party Service Providers ⁽¹⁾	Medicaid Cluster	-	DMAS	See Finding Number 2017-046				
2017	70	2017-050	Continue Improving Oversight of Third-Party Service Providers ⁽¹⁾	Medicaid Cluster	-	DSS	Corrective action is ongoing	<p>On August 5, 2017, DSS updated Section H- EXTERNAL INFORMATION SYSTEM SERVICES & THIRD PARTY SERVICES (SA-9) of the VDSS Information System and Services Acquisition Security Policy. The policy requires the agency to collect and review: SEC 525 GAP Analysis (similar to ECOS checklist); SOC II, Type II audits, or evidence of any IT security audits that were performed to SEC 520 standards against SEC 525 compliance. On a weekly basis Information Security Risk Management (ISRM) is working the department's Division of General Services' Contracting team to review ECOS and non-ECOS documentation. ISRM is on track to document this procedure and attach it to the policy document by the implementation date.</p>	Social Services continues to develop a formal process to maintain oversight over third-party IT service providers (providers). Social Services has outsourced several of its mission critical business functions, such as IT services, Child Support Enforcement call centers, and benefits administration services. Since the prior year audit, Social Services developed a formal policy to maintain oversight over providers and developed contract language to include in all contracts with providers. Prior to implementing the formal policy, Virginia Information Technologies Agency (VITA) began its Enterprise Cloud Oversight Services (ECOS) that all executive branch	DSS Security and procurement staff are working and negotiating with vendors to improve ECOS compliance.	Since the last report, VITA has added the VDSS ISO to the distribution list for monthly ECOS reporting. The monthly reports go to DSS Contracting, CIO, System Owner, and ISO.

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									agencies must use for providers that meet certain criteria. Social Services consulted with VITA to determine which providers must use ECOS, delaying Social Services from implementing an internal oversight process for providers that do not qualify for ECOS.			
2016	63	2016-044	Improve Oversight of Third Party Service	Medicaid	-	DSS	See Finding Number 2017-050					
2017	85	2017-064	Improve Policies, Procedures, and Plans for Backup and Restoration ⁽¹⁾	Medicaid Cluster	-	DSS	Corrective action is ongoing	Finding 2017-064 was marked as FOIAE under §2.2-3705.2 of the Code of Virginia due to its sensitivity and description of security controls. Corrective action updates will be provided to the Auditor of Public Accounts under separate cover.	Social Services continues to not update its policies and procedures for backup and restoration to reflect the current process. Specifically, the Business Impact Analysis (BIA) includes Recovery Point Objectives (RPOs), but the continuity planning documents do not include RPOs. Additionally, the backup and recovery services provided by the IT Partnership do not support the RPOs identified by the business owners. Furthermore, Social Services has not documented and approved its backup and restoration plans. The Security Standard, section CP-9, requires an agency to conduct backups in the information system in accordance with the organization-defined frequency consistent with recovery time and recovery point objectives. Section CP-9-COV of the Security Standard requires that an agency develop and implement documented backup and restoration plans to support the restoration of systems, data, and applications in accordance with agency requirements. Additionally, the Security Standard, section 3.2, requires that an agency document the RPOs for each system required to recover a mission essential function or primary business function. Without maintaining robust IT risk management plans and contingency plans that accurately reflect the current process, Social Services may not be able to	An updated continuity plan was submitted to VDEM on April 1, 2018. DIS and Informations security staff are working with system owners to align disaster recovery (DR) with the business continuity plan.	On 14 May, the DSS Continuity Coordinator began working with System Owners to on RPO discrepancies. As of 30 June, 30% system owners had responded by acknowledging acceptance of the DR solution.	

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									consistently govern the Partnership's backup and restoration efforts to meet operational needs. Without formal, approved backup and restoration plans, dependent on software applications after system failure. The business recovery needs do not align with the current backup and restoration processes. This is due to Social Services lacking resources and other competing priorities within the IT environment. Social Services may not be able to successfully restore mission essential functions that are dependent on software applications after system failure. The business recovery needs do not align with the current backup and restoration processes. This is due to Social Services lacking resources and other competing priorities within the IT environment.			
2016	76	2016-055	Improve Policies, Procedures, and Plans for	Medicaid	-	DSS	See Finding Number 2017-064					
2017	103	2017-081	Create Policies and Procedures to Ensure	Medicaid Cluser	-	DMAS	Resolved - corrective action is					
2017	107	2017-084	Improve the Accounts Receivable Collection Process ⁽¹⁾	Medicaid Cluster	-	DMAS	Corrective action is ongoing	The untimely and inaccurate processing of accounts receivable transactions is directly associated with the delayed automation in overpayment processing, backlog of receivables, and the lack of appropriate resources to focus earnestly on collection efforts. The Current Agency Accounting System upgrade was successfully implemented 11/13/2017. All divisional efforts were focused on the implementation of the Current Agency Accounting System upgrade thereby causing delays in projected enhancements to Accounts Receivable. Divisional resources will also focus efforts on the implementation of the New Claims Processing Systems for financial systems and data warehouse. The areas of greatest challenge are heavily entrenched in manual processes. Among these manual processes is Program Integrity's notification of recipient excess benefits. An automation project is in early development that will allow for automatic notifications and automatic retrieval of information needed to establish the receivable. Therefore, we will continue to work with the Information Management Division to implement those enhancements we are able to do amidst projects with	The untimely and inaccurate processing of accounts receivable transactions is directly associated with the delayed automation in overpayment processing, backlog of receivables, and the lack of appropriate resources to focus earnestly on collection efforts.	Fiscal has implemented automation for receiving notice of provider receivables and setting them up on the system. The automation loads invoices and alerts the fiscal division when it is time to send cases to the OAG. The unit is scanning overpayment documents and storing electronically which allows them easier access to the files. Program Integrity partnered with Information Management to leverage Medicaid Enterprise Systems to meet their needs with case management and analytics. Program Integrity is introducing a new system that will serve as an analytical tool to manage cases. The new system goes live in November 2018 and will replace FAIR. After the new system goes live, Fiscal will partner with Program Integrity to discuss the system enhancements of electronic reporting or the capability to interface with TPLRS to further automate the member receivable process. In the meantime, Fiscal has increased staffing with temporary resources to assist with member receivables.	The division that performs the audits will be implementing a new system that will serve as an analytical tool to manage cases. Fiscal will partner with the division to add system enhancements of electronic reporting or the capability to interface with TPLRS to further automate the member receivable process.	

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								a higher priority. Thus expected Fiscal AR automation will be completed by September 30, 2018. Fiscal AR is committed to improving the accounts receivable collection process and reducing the backlog of receivables. Therefore, with management approval, Fiscal AR will temporarily augment resources to effectively right-size the workload which will directly impact the reduction of the backlog and improve the timeliness in collection efforts. Increase resources are expected to be in place by June 30, 2018.			
2016	103	2016-080	Continue Improving Accounts Receivable Collection Process ⁽¹⁾	Medicaid Cluster	-	DMAS	See Finding Number 2017-084				
2017	118	2017-092	Develop Procedures and Performance Expectations for Resolving Social Security Number Discrepancies	Medicaid Cluster	-	DMAS	Corrective action is ongoing	Steps to be taken or that have been taken: 1) Provide VDSS with a copy of the RS-O-485A report each month (For years, the Current Claims Processing System generated the RS-O485A report and it was sent to VDSS. However, the report did not contain the correct recipients. It contained Medicaid recipients and GAP cases but not FAMIS/FAMIS MOMS recipients. VDSS did not need the GAP cases but needed the Medicaid and FAMIS/FAMIS MOMS recipients. In March 2017, DMAS updated the RS-O-485A report to include both the Medicaid and FAMIS/FAMIS MOMS recipients began sending the report each month to VDSS. The March 2017 report included enrollment for January through March 2017. For the current process, the Office of Data Analytics generates the report and sends electronically to VDSS. DMAS is in the process of revising the RS-O-485A report so that the Current Claims Processing System will automatically generate the monthly report to include all Medicaid and FAMIS recipients (and not GAP cases) and automatically send it to VDSS.	CAWP still in progress.	The revised report is now being automatically generated and sent to VDSS with all information for Medicaid and FAMIS recipients. VDSS has confirmed that local agencies are able to view/download the information for their respective agencies so that corrections can be made. DMAS will continue to follow up with VDSS to ensure there are no problems with receipt of this report.	No differences from previously filed CAWPs.
2016	59	2016-041	Correct Operating Environment and Security Issues Identified by their Security Compliance Audit	Medicaid Cluster	-	DMAS	Resolved - corrective action is completed				
2015	72	2015-068	Correct Operating Environment and Security Issues Identified by their Security Compliance Audit	Medicaid Cluster	-	DMAS	See Finding Number 2016-041				
2014	44	2014-027	Correct Operating Environment and Security Issues Identified by their Security Compliance Audit	Medicaid Cluster	-	DMAS	See Finding Number 2015-068				

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2012	19	2012-014	Address Findings in Internal Audit Report	Medicaid Cluster	-	DMAS	See Finding Number 2014-027				
2016	64	2016-045	Ensure Oversight of Third-Party Service Providers	93.917	-	VDH	Resolved - corrective action is completed				
2016	115	2016-088	Strengthen Subrecipient Monitoring Process	93.917	-	VDH	Resolved - corrective action is completed				
U. S. Department of Homeland Security											
2016	118	2016-091	Strengthen Internal Controls over Time and Effort Reporting for Federal Grants	97.036	-	DEM	Corrective action is ongoing	Continue strengthening its internal controls over time and effort reporting for federal grants.	VDEM had planned to utilize Cardinal Payroll for this task, when the project was put on hold the agency had to restructure the process. VDEM is a direct entry to Cardinal and utilizes TAL.	A process has been put into place to reconcile the T&E on a monthly basis, due to the complexity of DEM grant programs	An SOP was written between the two audit reports; however the certification had not been completed at the time of the 2018 audit

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U. S. Department of Justice												
2017	119	2017-093	Complete Risk Assessments for Subrecipients	16.575	-	DCJS	Corrective action is ongoing	To ensure compliance with new VOCA rules and sub-recipient monitoring under the Federal Uniform Guidance, DCJS Victims Services staff, in collaboration with Grants Administration, have drafted a Crime Victim Services Monitoring Plan and Policy, which includes the use of a formal, scored, risk assessment instrument and written documentation of the assessment results. The Crime Victim Services Monitoring Plan and Policy will be implemented prior to the next funding cycle of sub-recipients. In an effort to stay abreast of changes or updates, Victims Services and Grants Administration staff will receive ongoing training on the Uniform Guidance requirements for sub-recipient monitoring. Additionally, to ensure continued compliance and promote consistency, two full-time Victims Services grant monitor positions are currently in recruitment. The addition of these positions, and adoption of an updated agency monitoring plan and policies, will increase DCJS capacity to conduct on-site monitoring, guided by the formal, scored, risk assessment tool. The Division Directors of Finance and Administration and Programs and Services will ensure adherence to the Crime Victim Services Monitoring Plan and Policy.	Corrective Action has not been finalized.	To ensure compliance with new VOCA rules and sub-recipient monitoring under the Federal Uniform Guidance, DCJS Victims Services staff, in collaboration with Grants Administration, have drafted a Crime Victim Services Monitoring Plan and Policy, which includes the use of a formal, scored, risk assessment instrument and written documentation of the assessment results.	Not reported.	
2017	120	2017-094	Improve Internal Controls over Financial Reporting	16.575	-	DCJS	Corrective action is ongoing	DCJS has developed a review process to ensure that similar errors will not occur in the future. The quarterly federal financial reports submitted to the Department of Justice will be reviewed for accuracy and initialed by the preparer. The Manager of Grants Administration will then review and initial the reports. The Division Director of Finance and Administration will ensure compliance with this new process which will be immediately implemented.	Corrective Action has not been finalized.	DCJS has developed a review process to ensure that similar errors will not occur in the future.	Not reported.	
U. S. Department of Labor												
2017	121	2017-095	Update Contract Provisions, Enforce Contract Administration, and Evaluate Supporting Documentation and Reasonableness of Federal Grant Expenditures	17.282	-	VSU	Resolved - corrective action is completed					

* Virginia Alcoholic Beverage Control Authority was named Virginia Alcoholic Beverage Control prior to July 1, 2018.

(1) This Finding is also in the "Financial Statement Findings" Section of the "Summary Schedule of Prior Year Audit Findings."

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
U.S. DEPARTMENT OF AGRICULTURE						
Agricultural Research Basic and Applied Research	10.001		39,507			1,593,795
Plant and Animal Disease, Pest Control, and Animal Care	10.025		1,076,550			1,809,548
Direct and Counter-cyclical Payments Program	10.055		87,193			87,193
Biofuel Infrastructure Partnership	10.117		730,786		730,786	730,786
Federal-State Marketing Improvement Program	10.156		11,293			47,850
Market Protection and Promotion	10.163		8,058			8,058
		301-17-034/301-16-011/301-16-017/FFY2017-4G1/301-18-111/FFY2016-538/FFY2016-539				
Specialty Crop Block Grant Program - Farm Bill	10.170		205,999		117,455	513,975
Organic Certification Cost Share Programs	10.171		33,700			33,700
Local Food Promotion Program	10.172		15,140			18,679
Pass-Through From Virginia Aqua-Farmers Network Limited Liability Corporation	10.172			3,539		18,679
Grants for Agricultural Research, Special Research Grants	10.200	542209-19C15	185,681		11,250	1,404,960
Pass-Through From Auburn University	10.200			363,015		1,404,960
Pass-Through From Mississippi State University	10.200			4,198		1,404,960
Pass-Through From University of Washington	10.200	542209-19C15		33,772		1,404,960
Pass-Through From North Carolina State University	10.215			3,945		162,633
Pass-Through From University of Georgia	10.215			34,029		162,633
1890 Institution Capacity Building Grants	10.216		16,634			779,092
Higher Education - Institution Challenge Grants Program	10.217		12,111			12,111
Higher Education - Multicultural Scholars Grant Program	10.220		5,750			5,750
Community Food Projects	10.225		38,169			38,169
Agricultural and Rural Economic Research, Cooperative Agreements and Collaborations	10.250		220,698			267,246
Homeland Security Agricultural	10.304					
Pass-Through From University of Florida	10.304			27,555		27,555
Agriculture and Food Research Initiative (AFRI)	10.310		76,089		14,937	6,016,565
Pass-Through From North Carolina State University	10.310			42,857		6,016,565
Pass-Through From University of Maine	10.310			68,597		6,016,565
Pass-Through From University of Tennessee	10.310			131,848		6,016,565
Beginning Farmer and Rancher Development Program	10.311		521,750		127,157	632,137
National Food Safety Training, Education, Extension, Outreach, and Technical Assistance Competitive Grants Program	10.328		95,728		35,937	105,530
Pass-Through From University of Florida	10.328			7,986		105,530
Pass-Through From University of Tennessee	10.328			1,816		105,530
Crop Protection and Pest Management Competitive Grants Program	10.329		235,113			299,248
Food Insecurity Nutrition Incentive Grants Program	10.331		29,625			29,625
Rural Business Development Grant	10.351		126,028			126,028
Farm Operating Loans	10.406		32,837			32,837
Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	10.475		1,973,414			1,973,414
Food Safety Cooperative Agreements	10.479		595,336			595,336
Cooperative Extension Service	10.500		8,910,825		133,413	12,052,806
Pass-Through From Cornell University	10.500			10,203		12,052,806
Pass-Through From Kansas State University	10.500			31,749		12,052,806
Pass-Through From The Ohio State University	10.500			54,577		12,052,806
Pass-Through From University of Arkansas Cooperative Extension Service	10.500			52,035		12,052,806
Pass-Through From University of Georgia	10.500			1,460		12,052,806
Pass-Through From University of Idaho	10.500			601		12,052,806
Pass-Through From Virginia Local Governments	10.550			9,536		9,536
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557		78,422,907		3,998,441	78,422,907
Child and Adult Care Food Program	10.558		54,430,373		53,181,129	54,430,373
State Administrative Expenses for Child Nutrition	10.560		4,652,302		13,613	4,652,302
WIC Farmers' Market Nutrition Program (FMNP)	10.572		79,477		69,536	79,477
Team Nutrition Grants	10.574		40,148			40,148
Farm to School Grant Program	10.575		20,136			20,136
Senior Farmers Market Nutrition Program	10.576		833,048		798,250	833,048
WIC Grants To States (WGS)	10.578		1,134,459		10,604	1,134,459
Child Nutrition Discretionary Grants Limited Availability	10.579		2,588,572		2,045,228	2,588,572
Fresh Fruit and Vegetable Program	10.582		4,148,522		4,148,522	4,148,522
Pilot Projects to Reduce Dependency and Increase Work Requirements and Work Effort under SNAP	10.596		5,166,748		883,828	5,166,748
Forestry Research	10.652		425,722			666,593
Cooperative Forestry Assistance	10.664		2,838,979		72,108	3,111,074
Pass-Through From Kentucky Division Of Forestry	10.664			18,394		3,111,074
Pass-Through From North Carolina Division of Forest Resources	10.664			8,051		3,111,074
Urban and Community Forestry Program	10.675		11,565			55,446
Pass-Through From Regents of the University of Minnesota	10.675			1,000		55,446
Forest Legacy Program	10.676		30,308			30,308
Forest Stewardship Program	10.678		246,211			246,741
Pass-Through From National Fish & Wildlife Foundation	10.678			530		246,741
Forest Health Protection	10.680		633,950			1,272,481

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Wood Education and Resource Center (WERC)	10.681		2,370			2,370
International Forestry Programs	10.684		46,921			46,921
Cooperative Fire Protection Agreement	10.703		1,800			1,800
Norman E. Borlaug International Agricultural Science and Technology Fellowship	10.777		25,777			25,777
Rural Energy for America Program	10.868		56,801			56,801
Pass-Through From American Association of Community Colleges	10.890	RD-RB-16-29		7,000		7,000
Soil and Water Conservation	10.902		486,519			504,848
Pass-Through From National Fish & Wildlife Foundation	10.902			11,378		504,848
Environmental Quality Incentives Program	10.912		310,693		9,750	597,703
Pass-Through From Cornell University	10.912			10,606		597,703
Pass-Through From Whatcom Conservation District	10.912			87,302		597,703
Wildlife Habitat Incentive Program	10.914		67,687			67,687
Regional Conservation Partnership Program	10.932		8,908			8,908
Technical Agricultural Assistance	10.960		144,285			231,729
Agricultural Statistics Service	10.U01		886			59,913
Food Distribution - Salvage	10.U02		27,124			59,913
Other Assistance	10.U03	15-CS-11330145-112	14,248			59,913
Other Assistance	10.U04	FAR 52.232-25	17,655			59,913
Total Excluding Clusters Identified Below			172,199,115	1,027,579	66,401,944	
Child Nutrition Cluster:						
School Breakfast Program	10.553		96,157,073		95,270,497	96,157,073
National School Lunch Program	10.555		291,003,033		289,349,545	291,003,033
Special Milk Program for Children	10.556		100,753		100,753	100,753
Summer Food Service Program for Children	10.559		10,267,498		10,016,266	10,267,498
Total Child Nutrition Cluster			397,528,357	0	394,737,061	397,528,357
Food Distribution Cluster:						
Commodity Supplemental Food Program	10.565		2,086,519		1,583,243	2,086,519
Emergency Food Assistance Program (Administrative Costs)	10.568		2,262,682			2,262,682
Emergency Food Assistance Program (Food Commodities)	10.569		10,508,410		10,471,250	10,508,410
Total Food Distribution Cluster			14,857,611	0	12,054,493	14,857,611
Forest Service Schools and Roads Cluster:						
Schools and Roads - Grants to States	10.665		1,393,525		1,393,525	1,393,525
Total Forest Service Schools and Roads Cluster			1,393,525	0	1,393,525	1,393,525
SNAP Cluster:						
Supplemental Nutrition Assistance Program	10.551		1,068,914,295			1,068,914,295
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		112,874,565		87,906,469	112,874,565
Total SNAP Cluster			1,181,788,860	0	87,906,469	1,181,788,860
Research and Development:						
Agricultural Research Basic and Applied Research	10.001		1,554,288			1,593,795
Plant and Animal Disease, Pest Control, and Animal Care	10.025		732,998		33,342	1,809,548
Wildlife Services	10.028		25,700			25,700
Federal-State Marketing Improvement Program	10.156		14,234			47,850
Pass-Through From Purdue University	10.156			11,154		47,850
Pass-Through From Regents of the University of Minnesota	10.156			11,169		47,850
Specialty Crop Block Grant Program - Farm Bill	10.170		247,487		39,648	513,975
Pass-Through From Cornell University	10.170			60,489		513,975
Grants for Agricultural Research, Special Research Grants	10.200		710,913		8,458	1,404,960
Grants for Agricultural Research, Special Research Grants	10.200	417896-19C15	2,200		2,200	1,404,960
Grants for Agricultural Research, Special Research Grants	10.200	418212-19C15	17,493		17,493	1,404,960
Pass-Through From Cornell University	10.200			5,170		1,404,960
Pass-Through From Mississippi State University	10.200	417896-19C15 / 418212-19C15		44,564		1,404,960
Pass-Through From University of Florida	10.200			16,387		1,404,960
Pass-Through From University of Maine	10.200			21,567		1,404,960
Cooperative Forestry Research	10.202		893,548			893,548
Payments to Agricultural Experiment Stations Under the Hatch Act	10.203		3,957,180			3,957,180
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205		4,009,249			4,009,249
Animal Health and Disease Research	10.207		29,138			29,138
Sustainable Agriculture Research and Education	10.215		880			162,633
Pass-Through From University of Georgia	10.215	417842-19C22		116,978	5,664	162,633
Pass-Through From University of Rhode Island	10.215			6,801		162,633
1890 Institution Capacity Building Grants	10.216		687,122		67,832	779,092
Pass-Through From Tuskegee University	10.216			75,336		779,092
Pass-Through From Purdue University	10.219			21,107		21,107
Secondary and Two-Year Postsecondary Agriculture Education Challenge Grants	10.226		39,403			39,403
Agricultural and Rural Economic Research, Cooperative Agreements and Collaborations	10.250		46,065			267,246

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From The Ohio State University	10.250			483		267,246
Pass-Through From Iowa State University	10.253			12,989		51,730
Pass-Through From University of Illinois	10.253			13,042		51,730
Pass-Through From University of Kentucky	10.253			25,699		51,730
Agricultural Market and Economic Research Integrated Programs	10.290		99,862			99,862
Organic Agriculture Research and Extension Initiative	10.303		27,777			27,777
Pass-Through From West Virginia University	10.307			13,749		13,749
Specialty Crop Research Initiative	10.309					372,502
Pass-Through From Clemson University	10.309	417518-19837		260,838	13,216	372,502
Pass-Through From North Carolina State University	10.309			111,664		372,502
Agriculture and Food Research Initiative (AFRI)	10.310		5,199,664		742,247	6,016,565
Agriculture and Food Research Initiative (AFRI)	10.310	2014-67019-21614	26,611		26,611	6,016,565
Pass-Through From Kansas State University	10.310			8,072		6,016,565
Pass-Through From Mississippi State University	10.310			8,609		6,016,565
Pass-Through From North Carolina State University	10.310	2016-67013-24469		14,618		6,016,565
Pass-Through From Ohio State University	10.310	60050299-JMU		8,508		6,016,565
Pass-Through From Pennsylvania State University	10.310			2,277		6,016,565
Pass-Through From Temple University	10.310			80,727		6,016,565
Pass-Through From The American Chestnut Foundation	10.310			37,453		6,016,565
Pass-Through From University of California, Davis	10.310			7,397		6,016,565
Pass-Through From University of Georgia Research Foundation Incorporated	10.310			124,795		6,016,565
Pass-Through From University of Houston	10.310			922		6,016,565
Pass-Through From University of Maryland	10.310			6,359		6,016,565
Pass-Through From University of Massachusetts Medical Center	10.310			22,641		6,016,565
Pass-Through From University of Montana	10.310			16,106		6,016,565
Pass-Through From University of Nebraska	10.310			100,327		6,016,565
Pass-Through From University of Pennsylvania	10.310			2,553		6,016,565
Pass-Through From University of Wyoming	10.310			29,535		6,016,565
Beginning Farmer and Rancher Development Program	10.311					
Pass-Through From University of Florida	10.311			110,387		632,137
Biomass Research and Development Initiative Competitive Grants Program	10.312					
Pass-Through From North Carolina Biotechnology Center	10.312			237,199		237,199
Women and Minorities in Science, Technology, Engineering, and Mathematics Fields	10.318		5,061			5,061
Sun Grant Program	10.320					48,997
Pass-Through From University of Tennessee	10.320	417962-19121		48,997	19,924	48,997
Crop Protection and Pest Management Competitive Grants Program	10.329					
Pass-Through From North Carolina State University	10.329			25,227		299,248
Pass-Through From Rutgers, The State University of New Jersey	10.329			26,772		299,248
Pass-Through From University of Maryland	10.329			12,136		299,248
Outreach and Assistance for Socially Disadvantaged and Veteran Farmers and Ranchers	10.443		81,697			81,697
Cooperative Extension Service	10.500		2,966,706			12,052,806
Pass-Through From North Carolina State University	10.500			24,650		12,052,806
Foreign Market Development Cooperator Program	10.600		34,063			34,063
Forestry Research	10.652		223,682			666,593
Pass-Through From United States Endowment For Forests & Communities	10.652			17,189		666,593
Cooperative Forestry Assistance	10.664		98,663			3,111,074
Cooperative Forestry Assistance	10.664	417594-19235	34,899		34,899	3,111,074
Cooperative Forestry Assistance	10.664	417594-19B81	28,639		28,639	3,111,074
Pass-Through From United States Endowment For Forests & Communities	10.664	417594-19235 / 417594-19B81		83,449		3,111,074
Wood Utilization Assistance	10.674		252,774			266,879
Pass-Through From United States Endowment For Forests & Communities	10.674			14,105		266,879
Urban and Community Forestry Program	10.675		42,881		15,171	55,446
Forest Health Protection	10.680		638,531			1,272,481
Snow Survey and Water Supply Forecasting	10.902					
Pass-Through From Indiana University of Pennsylvania	10.902			2,748		504,848
Pass-Through From University of Rhode Island	10.902			4,203		504,848
Environmental Quality Incentives Program	10.912		117,849		54,698	597,703
Environmental Quality Incentives Program	10.912	418141-19A65	5,500		5,500	597,703
Pass-Through From Pheasants Forever Incorporated	10.912	418141-19A65		65,753		597,703
Agricultural Statistics Reports	10.950		621,255			621,255
Technical Agricultural Assistance	10.960	FX18TA-10960R001	87,444		51,241	231,729
Other Assistance	10.RD	R000023				796,715
Other Assistance	10.RD	12-CA-11420004-069	16,141			796,715
Other Assistance	10.RD	12-JV-11261976-077	3,472			796,715
Other Assistance	10.RD	13-CA-11420004-061	3,542		3,542	796,715
Other Assistance	10.RD	13-DG-11132762-399	147,165			796,715
Other Assistance	10.RD	13-JV-11330145-045	13,189			796,715
Other Assistance	10.RD	13-JV-11330145-046	1,114			796,715
Other Assistance	10.RD	13-JV-11330145-054	44,198			796,715
Other Assistance	10.RD	14-JV-11330145-058	122,427			796,715
Other Assistance	10.RD	14-JV-11330145-108	69,161			796,715

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Other Assistance	10.RD	15-CS-11330140-124	42,856			796,715
Other Assistance	10.RD	15-CS-11330140-125	596			796,715
Other Assistance	10.RD	15-JV-11272139-027	24,945			796,715
Other Assistance	10.RD	15-JV-11330143-046	2,475			796,715
Other Assistance	10.RD	16-CS-11330140-100	36,524			796,715
Other Assistance	10.RD	16-CS-11330140-101	24,875			796,715
Other Assistance	10.RD	16-JV-11221639-184	61,568		20,000	796,715
Other Assistance	10.RD	16-JV-11330140-095	31,420			796,715
Other Assistance	10.RD	16-JV-11330142-091	38,651			796,715
Other Assistance	10.RD	16-JV-11330145-074	87,565			796,715
Other Assistance	10.RD	AG-3A94-P-17-0094	7,304			796,715
Other Assistance	10.RD	Contract #W911W61720001	3,000			796,715
Other Assistance	10.RD	R000023	14,527			796,715
Total Research and Development			24,358,171	1,972,900	1,203,166	
Total U.S. DEPARTMENT OF AGRICULTURE			1,792,125,639	3,000,479	563,696,658	
U.S. DEPARTMENT OF COMMERCE						
Band 14 Incumbent Spectrum Relocation	11.014		5,315,651			5,315,651
Cluster Grants	11.020		86,112			86,112
Economic Development Technical Assistance	11.303		156,934		13,178	156,934
Interjurisdictional Fisheries Act of 1986	11.407		137,960			137,960
Sea Grant Support	11.417		984,601			2,996,694
Coastal Zone Management Administration Awards	11.419		2,397,638		658,013	2,558,622
Pass-Through From University of Michigan	11.419	NA14NOS4190145 / 3003645707		9,640		2,558,622
Coastal Zone Management Estuarine Research Reserves	11.420		446,947			741,838
Marine Fisheries Initiative	11.433		5,225			253,333
Cooperative Fishery Statistics	11.434		309,624			309,624
Unallied Management Projects	11.454		540,325			2,435,411
Chesapeake Bay Studies	11.457		75,776		1,875	415,015
Pass-Through From Virginia Resource Use Education Council	11.457	NA13NMF4570193		1,000		415,015
Unallied Science Program	11.472		499,288			582,569
Atlantic Coastal Fisheries Cooperative Management Act	11.474		206,802			206,802
State and Local Implementation Grant Program	11.549		588,693		600	588,693
Child Abuse and Neglect Discretionary Activities	11.609					
Pass-Through From George Washington University	11.609	17-516		34,611		1,097,389
Manufacturing Extension Partnership	11.611		2,855,423		157,299	2,891,699
Pass-Through From North Carolina State University	11.611			36,276		2,891,699
Arrangements for Interdisciplinary Research Infrastructure	11.619		27,582		13,427	855,860
Science, Technology, Business and/or Education Outreach	11.620		22,492			59,520
Pass-Through From Old Dominion University Research Foundation	11.620	17-129-100631-010/17-128-100631-010		18,167		59,520
Conference on Annual Transport and Dispersion (AT&D) Modeling	11.U01	17-204221	2,498			71,034
United States Patent & Trademark Office-IPv6 Fundamentals Training	11.U02	209711	15,485			71,034
Brightness Temperature(01B-18B) and Gridded (01B-18a) and Mean Layer Temperature-DG133E-10-CQ-0034-						
203914;1056132	11.U03			53,051		71,034
Pass-Through From Global Science and Technology, Incorporated						
Total Excluding Clusters Identified Below			14,675,056	152,745	844,392	
Economic Development Cluster:						
Economic Adjustment Assistance	11.307		18,004,624			18,004,624
Total Economic Development Cluster			18,004,624	0	0	18,004,624
Research and Development:						
NOAA Mission-Related Education Awards	11.008		6,353			106,818
Pass-Through From Science Museum of Virginia Foundation	11.008			100,465		106,818
Integrated Ocean Observing System (IOOS)	11.012					110,977
Pass-Through From Rutgers University	11.012	NA16NOS120020 / 5940		46,647		110,977
Pass-Through From Rutgers, the State University of New Jersey	11.012			970		110,977
Pass-Through From Southeastern University Research Association	11.012	NA13NOS0120136 / 2013-002		63,360	37,810	110,977
Broad Agency Announcement	11.015		113,771			193,872
Pass-Through From US Microwave Laboratories	11.015			80,101		193,872
Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)	11.400		4,883			4,883
Sea Grant Support	11.417	NA14OAR4170093	1,928,385		188,370	2,996,694
Pass-Through From Clark University	11.417			964		2,996,694
Pass-Through From Rutgers University	11.417	NA14OAR4170085 / 5571		399		2,996,694
Pass-Through From University of Southern Mississippi	11.417			44,426		2,996,694
Pass-Through From University of Washington	11.417	NA14OAR4170078 / UWSC9595		37,919		2,996,694
Coastal Zone Management Administration Awards	11.419		145,576		36,104	2,558,622
Pass-Through From University of Michigan	11.419	NA14NOS4190145 / 3003645707		5,768		2,558,622
Coastal Zone Management Estuarine Research Reserves	11.420		294,891			741,838

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Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	11.427		653,341		50,308	767,952
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	11.427	NA16NMF4270243	43,183		43,183	767,952
Pass-Through From Johns Hopkins University	11.427			28,080		767,952
Pass-Through From Marine Applied Research Center	11.427	16GAR044 / PO-1601		12,379		767,952
Pass-Through From University of Maryland Center for Environment	11.427	NA15NMF4270296 / SA-5-29092 PO30		30,969		767,952
Climate and Atmospheric Research	11.431		1,680,277		5,872	1,735,363
Pass-Through From Clark University	11.431	NA16OAR4310153 / 2W003-SWM		46,571		1,735,363
Pass-Through From Gulf of Maine Research Institute	11.431	1A15OAR4310120 / 10-COCA-15 VIMS		8,515		1,735,363
National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	11.432		22,458			164,229
Pass-Through From State Of Maryland	11.432			136,934		164,229
Pass-Through From University of Michigan	11.432	NA12OR4320071 / 3003712407		4,837		164,229
Marine Fisheries Initiative	11.433	NA15NMF4330153	248,108		79,208	253,333
Environmental Sciences, Applications, Data, and Education Gulf Coast Ecosystem Restoration Science, Observation, Monitoring, and Technology	11.440		51,078			51,078
Pass-Through From Troy University	11.451	NA17NOS4510100		90,485		92,934
Pass-Through From University Of Florida	11.451			2,449		92,934
NA16NMF4540043 / NA14NMF4740362 / 014-1201 / NA17NMF4540044 / NA17NMF4540040	11.454		783,689		733,979	2,435,411
Unallied Management Projects	11.454					2,435,411
Pass-Through From Atlantic States Marine Fisheries Commission	11.454	NA14NMF4740362 / 014-1201		1,087,651		2,435,411
Pass-Through From University of Delaware	11.454	NA17NMF4540039		23,746		2,435,411
Chesapeake Bay Studies	11.457	NA17NMF4570156	216,984		34,815	415,015
Pass-Through From Chesapeake Research Consortium	11.457	NA15NMF4570252 / VRCS-05 / NA15NMF4570252 / NRCS-04		44,936		415,015
Pass-Through From University of Maryland	11.457	NA14NMF4570287 / UMD		63,150		415,015
Pass-Through From University of Maryland Center for Environment	11.457	NA14NMF4570275 / SA07523980		13,169		415,015
Pass-Through From Oregon Department of Geology and Mineral	11.467	NA16NWS4670037 / 632151723		73,164		73,164
Applied Meteorological Research	11.468		118,212		15,326	118,212
Congressionally Identified Awards and Projects	11.469		48,913			226,672
Pass-Through From Atlantic States Marine Fisheries Commission	11.469			177,759		226,672
Unallied Science Program	11.472		83,281			582,569
Office for Coastal Management	11.473		91,380			91,380
Center for Sponsored Coastal Ocean Research Coastal Ocean Program	11.478		362,226		85,005	501,548
Center for Sponsored Coastal Ocean Research Coastal Ocean Program	11.478	NA16NOS4780207	139,322		139,322	501,548
Measurement and Engineering Research and Standards	11.609		968,256			1,097,389
Pass-Through From Research Foundation of State University of New York at Binghamton	11.609			94,522		1,097,389
Arrangements for Interdisciplinary Research Infrastructure	11.619					855,860
Pass-Through From City of Newport News	11.619	70NANB16H277 / 20171028-000		6,183		855,860
Pass-Through From Iowa State University	11.619			822,095		855,860
Science, Technology, Business and/or Education Outreach	11.620		18,861			59,520
Other Assistance	11.RD	RA133R17SE0410	11,125			120,471
Other Assistance	11.RD	RA133R18SE0266	8,014			120,471
SVCC-Blevins-CyberWorkforce	11.RD		49,234			120,471
Pass-Through From Aerodyne Research Incorporated	11.RD	ARI 11328-1		39,217		120,471
Investigating the attributes of Predicting Western U.S. Hydrological Response to Tropical Forcing During the Winters of 2015-2016 and 2016-2017-DG133W-12-CQ-0008/TO016-204490;18-GMU01	11.RD			12,881		120,471
Pass-Through From INNOVIM, Limited Liability Company	11.RD					120,471
Total Research and Development			8,091,801	3,200,711	1,449,302	
Total U.S. DEPARTMENT OF COMMERCE			40,771,481	3,353,456	2,293,694	
U.S. DEPARTMENT OF DEFENSE						
Procurement Technical Assistance For Business Firms	12.002		827,205			827,205
Payments to States in Lieu of Real Estate Taxes	12.112		29,999		29,999	29,999
State Memorandum of Agreement Program for the Reimbursement of Technical Services	12.113		928,246			928,246
Electronic Absentee Systems for Elections	12.217		83,717			83,717
Basic and Applied Scientific Research	12.300	POD0004575	1,573,680		86,714	26,160,470
Pass-Through From Business Higher Education Forum	12.300	736-010/736/730		7,863		26,160,470
Corporation	12.300			44,337		26,160,470
Pass-Through From Mitre Corporation	12.300			1,694		26,160,470

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
ROTC Language and Culture Training Grants	12.357					
Pass-Through From Institute of International Education	12.357			492,088		509,302
Pass-Through From Institute of International Education	12.357	H98210-13-2-0001		17,214		509,302
Military Construction, National Guard	12.400		15,123,693			15,123,693
National Guard Military Operations and Maintenance (O&M) Projects	12.401		43,053,711			43,053,711
National Guard Challenge Program	12.404		4,370,688			4,370,688
National Security Education Program David L. Boren Fellowships	12.552					
Pass-Through From Institute of International Education	12.552	2603-JMU-17-GO-051-P04		408,888		408,888
Economic Adjustment Assistance for State Governments	12.617		367,242			1,782,691
Pass-Through From Department of Defense Office of Economic Adj	12.617			1,415,449	953,318	1,782,691
Troops to Teachers Grant Program	12.620		335,580			335,580
Basic, Applied, and Advanced Research in Science and Engineering	12.630		53,131			2,421,205
Pass-Through From Technology Student Association	12.630			18,898		2,421,205
Uninformed Services University Medical Research Projects	12.750					
Pass-Through From Henry M. Jackson Foundation for the Advancement of Military Medicine	12.750			23,292		844,563
Air Force Defense Research Sciences Program	12.800		156,253			8,665,662
Language Grant Program	12.900		190,930			198,294
Mathematical Sciences Grants Program	12.901		19,999			123,136
Information Security Grant Program	12.902		368,032		24,817	599,078
GenCyber Grants Program	12.903		171,837			193,959
CyberSecurity Core Curriculum	12.905		20,881			20,881
Research and Technology Development	12.910		39			5,958,663
Pass-Through From Massachusetts Institute of Technology	12.910	5710004093		347,714		5,958,663
Pass-Through From On Demand Pharmaceuticals Incorporated	12.910	2		42,253		5,958,663
Building Business Acumen	12.U01	2012-12090100002-202757	53,444			2,800,520
Enlisted to Medical Degree Preparatory Program (EMDP2) Leadership as a Lifelong Practice Training	12.U02	HU0001-14-D-E005-203291	1,371,809			2,800,520
National Security Emergency Preparedness Training	12.U03	WM17-P-0237-209709	33,218			2,800,520
National Security Environmental Health & Safety Training	12.U04	H98230-18-P-0091/001AE-209702	3,263			2,800,520
	12.U05	H98230-18-P-0091-209705	2,144			2,800,520
		H98230-18-P-0091/17-P-1094-209708				
National Security Facilities Management Certificate Training	12.U06	209716	12,860			2,800,520
National Security Leadership, Management and the Facilities Management Organization Training	12.U07	H98230-18-P0091 0001AB-209707	2,498			2,800,520
National Security Project Management Training	12.U08	H98230-18-P0091-209704	3,253			2,800,520
Other Assistance	12.U09	H98230-17-1-0160	99,869			2,800,520
Other Assistance	12.U10	H98230-17-1-0178	118,477			2,800,520
Other Assistance	12.U11	H98230-17-1-0230	113,385			2,800,520
Other Assistance	12.U12	HDTRA1-18-P-0017	23,703			2,800,520
Other Assistance	12.U13	JIWEI LU IPA-UVA FY16-17	1,733			2,800,520
Other Assistance	12.U14	Lu IPA	144,915			2,800,520
Other Assistance	12.U15	N00024-17-P-6617	3,000			2,800,520
Other Assistance	12.U16	N00174-18-1-0005	8,267			2,800,520
Other Assistance	12.U17	Order # N00178-13-P-4475	4,197			2,800,520
Other Assistance	12.U18	W912HZ-17-2-0017	84,840			2,800,520
Pass-Through From BAE Systems Advanced Technologies, Incorporated	12.U19	Indatatech Mentor Protégé Program- W9113M-15-C-0018-203771;921390		52,436	32,563	2,800,520
Pass-Through From Booz Allen Hamilton Corporation	12.U20	Navy Mentor Protégé Program- 204331;PR773813		3,428		2,800,520
Pass-Through From Chenega Technology Services Corporation	12.U21	cBEYONData-HM047615C0043-203739;CFS-160135-GMU		9,952		2,800,520
Pass-Through From Chenega Technology Services Corporation	12.U22	Global InfoTek (GITI) Mentor Protégé Program-HM177-10-R-0049-203692;CFS-160129-GMU		4,051		2,800,520
Pass-Through From General Dynamics	12.U23	Bluehawk Mentor Protégé Program- HHM402-18-C-0012-204458;07ESM996632		21,341	13,300	2,800,520
Pass-Through From HBCU MI Project Office Incorporated	12.U24	Historically Black College and University (HBCU)/Minority Institutions (MI) Program Office (HPO) Mentor Protégé Program-204031;16RFPKCL004		778		2,800,520
Pass-Through From Leidos Incorporated	12.U25	Army Lockheed Martin-Time Systems Mentor Protégé Program-W9113M-15-C-0003-203741;41N2253984		139,039	83,725	2,800,520
Pass-Through From Leidos Incorporated	12.U26	Business Technology Investment Council (BITC) Mentor Protégé Program HM017714C0007-203401;OA-G-212-14-01/P010165234		152		2,800,520
Pass-Through From Leidos Incorporated	12.U27	C. Anthony Cusack Mentor Protégé Program HM047615-C-0015-203778;P010180237/OA-G-212-14-01		77,330	44,539	2,800,520
Pass-Through From Parsons Government Services Incorporated	12.U28	Parsons-Mobius Mentor Protégé Program-HQ0147-16-C-0021-203856;PO-0002331		57,350		2,800,520

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From Q.E.D. Systems, Incorporated	12.U29	Systems/Navy/Marine Mills & Ship Repair/Mentor Protégé Program-N65540-15-D-0006-204085;PO C-359036		17,153		2,800,520
Pass-Through From Raytheon Systems	12.U30	Aero Electronics Mentor Protégé Program-W9113M-16-C-0027-204282;4201552628		110,346		2,800,520
Pass-Through From Raytheon Systems	12.U31	New England Die Cutting Mentor Protégé Program-HQ0147-16-C-0031-204028;PO 4201382492		165,436		2,800,520
Pass-Through From Raytheon Systems	12.U32	TRM Microwave Mentor Protégé Program-HQ0147-16-C-0019-204029;HQ0147-16-C-0019		56,853		2,800,520
Total Excluding Clusters Identified Below			69,759,738	3,535,335	1,268,975	
Research and Development:						
Aquatic Plant Control	12.100					
Pass-Through From GSI Environmental	12.100			2,266		2,266
Flood Control Projects	12.106					
Pass-Through From Intermodal Logistics Consulting Incorporated	12.106			2,776		2,776
Estuary Habitat Restoration Program	12.130		28,614			28,614
Basic and Applied Scientific Research	12.300		21,041,159		3,555,617	26,160,470
Basic and Applied Scientific Research	12.300	W9126G-17-2-044	9,296		9,296	26,160,470
Pass-Through From Ahmic Aerospace Limited Liability Corporation	12.300			54,762		26,160,470
Pass-Through From Applied Research Associates Incorporated	12.300			24,794		26,160,470
Pass-Through From Barron Associates Incorporated	12.300			322		26,160,470
Pass-Through From BNNT, Limited Liability Company	12.300	N00014-18-C-2012		1,300		26,160,470
Pass-Through From Brown University	12.300			132,733		26,160,470
Pass-Through From Business Higher Education Forum	12.300			16		26,160,470
Pass-Through From Commonwealth Computing Research, Incorporated	12.300			955		26,160,470
Pass-Through From Cortana Corporation	12.300			148,617		26,160,470
Pass-Through From Florida State University	12.300			512,062		26,160,470
Pass-Through From GIRD Systems Incorporated	12.300			54,083		26,160,470
Pass-Through From Institute for Wildlife Studies	12.300			71,005		26,160,470
Pass-Through From Intelligent Automation Incorporated	12.300			20,642		26,160,470
Pass-Through From ITT Industries, Incorporated	12.300			410		26,160,470
Pass-Through From Jensen Hughes Incorporated	12.300			17,434		26,160,470
Pass-Through From Lockheed Martin Corporation	12.300			233,672		26,160,470
Pass-Through From Los Alamos National Laboratory	12.300			28,915		26,160,470
Pass-Through From Lynntech Incorporated	12.300			16,202		26,160,470
Pass-Through From M4 Engineering Incorporated	12.300			47,243		26,160,470
Pass-Through From Mitre Corporation	12.300			17,863		26,160,470
Pass-Through From NanoSonic, Incorporated	12.300			75,370		26,160,470
Pass-Through From Next Century Corporation	12.300			489,330		26,160,470
Pass-Through From North Carolina State University	12.300			285,564		26,160,470
Pass-Through From Northrop Grumman Corporation	12.300			21,609		26,160,470
Pass-Through From Northwestern University	12.300			234,521		26,160,470
Pass-Through From Ohio State University	12.300			23,362		26,160,470
Pass-Through From RE2 Incorporated	12.300			91,427		26,160,470
Pass-Through From Rockwell Collins	12.300			23,160		26,160,470
Pass-Through From Science & Engineering Services Limited Liability Corporation	12.300			188,063		26,160,470
Pass-Through From State Of Maryland	12.300			70,894		26,160,470
Pass-Through From Stevens Institute of Technology	12.300			19,559		26,160,470
Pass-Through From Technology Service Corporation	12.300			439		26,160,470
Pass-Through From Toyon Research Corporation	12.300			139,828		26,160,470
Pass-Through From Universal Technology Corporation	12.300			87,196		26,160,470
Pass-Through From University of Alabama	12.300			53,055		26,160,470
Pass-Through From University of California, Santa Barbara	12.300			227,589		26,160,470
Pass-Through From University of Pennsylvania	12.300			68,445		26,160,470
Naval Medical Research and Development	12.340		46,234			70,981
Pass-Through From Henry M. Jackson Foundation	12.340			24,747		70,981
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351		2,027,661		539,949	2,175,142
Pass-Through From CH2M Hill	12.351			57,930		2,175,142
Pass-Through From University of Maryland	12.351			89,551		2,175,142
Military Medical Research and Development	12.420		16,137,106		7,597,126	16,656,373
Pass-Through From Henry M. Jackson Foundation for the Advancement of Military Medicine	12.420			3,747		16,656,373
Pass-Through From Johns Hopkins University	12.420			1,951		16,656,373
Pass-Through From The Medical College of Wisconsin	12.420			98,601		16,656,373
Pass-Through From University of Alabama	12.420			5,252		16,656,373
Pass-Through From University of California San Diego	12.420	64761061		75,273		16,656,373
Pass-Through From University of California San Francisco	12.420	W81XWH-14-2-0176		8,829		16,656,373
Pass-Through From University of Colorado	12.420			12,142		16,656,373

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From University of Michigan	12.420			54,051		16,656,373
Pass-Through From University of North Carolina at Chapel Hill	12.420			2,372		16,656,373
Pass-Through From University of Pittsburgh	12.420			7,615		16,656,373
Pass-Through From University of Texas at San Antonio	12.420			10,759		16,656,373
Pass-Through From Wake Forest University Health Sciences	12.420			238,675		16,656,373
Basic Scientific Research	12.431		8,207,890		2,226,631	9,380,148
Pass-Through From Boston University	12.431			50,079		9,380,148
Pass-Through From Cornell University	12.431			139,746		9,380,148
Pass-Through From Freedom Photonics, Limited Liability Company	12.431			21,179		9,380,148
Pass-Through From General Technical Services Limited Liability Corporation	12.431			86,447		9,380,148
Pass-Through From Mississippi State University	12.431			83,271		9,380,148
Pass-Through From North Carolina State University	12.431			179,931		9,380,148
Pass-Through From Old Dominion University Research Foundation	12.431			66,851		9,380,148
Pass-Through From Pennsylvania State University	12.431			100,598		9,380,148
Pass-Through From Signature Science, Limited Liability Company	12.431			11,092		9,380,148
Pass-Through From The University of North Carolina at Chapel Hill	12.431			29,381		9,380,148
Pass-Through From The University of Texas at Austin	12.431			156,451		9,380,148
Pass-Through From University of Chicago	12.431			94,626		9,380,148
Pass-Through From University of Maryland Baltimore	12.431			152,606		9,380,148
DOD, NDEP, DOTC-STEM Education Outreach Implementation	12.560					
Pass-Through From Building Engineering and Science Talent	12.560			12,810		12,810
Language Training Center	12.579					
Pass-Through From Institute of International Education	12.579			387,385	114,273	387,385
Community Investment	12.600		1,628			1,628
Basic, Applied, and Advanced Research in Science and Engineering	12.630		2,286,125		119,398	2,421,205
Pass-Through From DCS Corporation	12.630			6,255		2,421,205
Pass-Through From University of Dayton	12.630			56,796		2,421,205
Legacy Resource Management Program	12.632		126,791			126,791
Uninformed Services University Medical Research Projects	12.750					
Pass-Through From Henry Jackson Foundation	12.750			146,208		844,563
Pass-Through From Henry M. Jackson Foundation for the Advancement of Military Medicine	12.750			675,063		844,563
Air Force Defense Research Sciences Program	12.800		6,847,762		2,454,380	8,665,662
Air Force Defense Research Sciences Program	12.800	FA-9550-13-0098	30,385		30,385	8,665,662
Pass-Through From Columbia University	12.800			(8,271)		8,665,662
Pass-Through From Echo Ridge Limited Liability Corporation	12.800			198,247		8,665,662
Pass-Through From Griffiss Institute	12.800			234,730		8,665,662
Pass-Through From KBRwyle	12.800			3,748		8,665,662
Pass-Through From Lockheed Martin Corporation	12.800			178,681		8,665,662
Pass-Through From Luna Innovations Incorporated	12.800			67,007		8,665,662
Pass-Through From Ohio State University	12.800			316,814		8,665,662
Pass-Through From Pennsylvania State University	12.800			67,162		8,665,662
Pass-Through From Rutgers, The State University of New Jersey	12.800			87,454		8,665,662
Pass-Through From SA Photonics Limited Liability Corporation	12.800			7,887		8,665,662
Pass-Through From The Ohio State University	12.800			95,042		8,665,662
Pass-Through From The University of Texas at Austin	12.800			141,287		8,665,662
Pass-Through From University of Arizona	12.800			49,257		8,665,662
Pass-Through From University of California at Berkeley	12.800			84,109		8,665,662
Pass-Through From University Of Pittsburgh	12.800			102,658		8,665,662
Pass-Through From Yale University	12.800			5,450		8,665,662
Language Grant Program	12.900		7,364			198,294
Mathematical Sciences Grants Program	12.901		103,137			123,136
Information Security Grant Program	12.902		231,046			599,078
GenCyber Grants Program	12.903		22,122			193,959
Research and Technology Development	12.910		4,188,228		1,737,079	5,958,663
Pass-Through From Brown University	12.910			69,363		5,958,663
Pass-Through From California Institute of Technology	12.910			4,060		5,958,663
Pass-Through From Millennium Space Systems	12.910			114,896		5,958,663
Pass-Through From Rutgers, The State University of New Jersey	12.910			141,422		5,958,663
Pass-Through From Uncharted Software	12.910			119,757		5,958,663
Pass-Through From University of California, Santa Barbara	12.910			144,149		5,958,663
Pass-Through From University of Delaware	12.910			405,152		5,958,663
Pass-Through From University of Michigan	12.910			55,235		5,958,663
Pass-Through From University of Southern California	12.910			14,783		5,958,663
Pass-Through From Vencore Labs Incorporated	12.910			311,612		5,958,663

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
		N0018917DZ027-TO				
		198/277/412/414/415/603/614-204214				
		204216 204218 204219 204220 204295				
Academic Fellowship Program for the US Naval Observatory	12.RD	204296	439,718			33,553,259
Advanced Predictive Analysis Capabilities	12.RD	HQ0147-17-C-7605-PO-000000795	25,871			33,553,259
Agile Cognitive Assistants for Advanced Persistent Threat Detection	12.RD	FA8750-17-C-0002-204086	237,315			33,553,259
An Automated Approach for Detecting and Mitigating Security Vulnerabilities in Mobile Applications	12.RD	2013-1307071200003-203053	247		247	33,553,259
CyberSecurity Curricula Development	12.RD	H98230-17-1-0415-204322	58,226			33,553,259
Democratizing Defenses Using Secure Indirection Networks	12.RD	HR0011-16-C-0055-203809;56AKK	1,306,939		857,330	33,553,259
Information Assurance Scholarship Program	12.RD	H98230-16-1-0328/1-00256807-203995	51,983			33,553,259
IPA-HAY	12.RD	PO#819673	17,689			33,553,259
IPA-NANCE	12.RD	PO#811375	75,749			33,553,259
IPA-WALTZ	12.RD		152,480			33,553,259
Logical Vanishability through Hybrid Spin Transfer Torque (STT) and Look-Up Table (LUT) Technology to Prevent Reverse Engineering	12.RD	FA8650-15-C-7569-203705;0008797	240,891		64,856	33,553,259
LOG-LOG	12.RD		9,874			33,553,259
Megacities Command and Control Assessment Capability	12.RD	HR0011-17-C-0032-204090;E2040902	136,148		65,321	33,553,259
Mobile Manned/Unmanned Distributed Lethality Airborne Network (MUDLAN)	12.RD	FA8750-18-C-0033-204439	216,682			33,553,259
Other Assistance	12.RD	1044-10	48,044			33,553,259
Other Assistance	12.RD	17-C-0182	191,883			33,553,259
Other Assistance	12.RD	AT-48395	50,093			33,553,259
Other Assistance	12.RD	D17AC00003	1,406,182		206,267	33,553,259
Other Assistance	12.RD	FA8650-18-C-7826	632,182		122,137	33,553,259
Other Assistance	12.RD	FA8750-15-C-0118	1,606,562		702,218	33,553,259
Other Assistance	12.RD	FA9550-18-1-0119	200,000			33,553,259
Other Assistance	12.RD	H98230-16-C-0780	9,763			33,553,259
Other Assistance	12.RD	H98230-16-C-0781	1,487			33,553,259
Other Assistance	12.RD	H98230-17-1-0398	112,141			33,553,259
Other Assistance	12.RD	HDTRA 1-11-D-0016	108,881			33,553,259
Other Assistance	12.RD	HDTRA-1-11-D-0016	368,110			33,553,259
Other Assistance	12.RD	HDTRA1-11-D-0016-0001	334,635			33,553,259
Other Assistance	12.RD	HDTRA1-17-D-0023/HDTRA1170119	286,443			33,553,259
Other Assistance	12.RD	HDTRA1-17-F-0118 (D-0023)	1,967,828			33,553,259
Other Assistance	12.RD	N00173-16-P-1311	22,441			33,553,259
Other Assistance	12.RD	N00173-18-P-0186	39,652			33,553,259
Other Assistance	12.RD	N00174-16-C-0035	48,465			33,553,259
Other Assistance	12.RD	N00178-13-D-1031	78,056			33,553,259
Other Assistance	12.RD	N00178-13-D-1031 / N00178-18-F	6,699			33,553,259
Other Assistance	12.RD	N00178-13-D-1031-0013	32,039			33,553,259
Other Assistance	12.RD	N00421-14-2-R002	142,873		64,196	33,553,259
Other Assistance	12.RD	N00421-16-2-B001	577,805			33,553,259
Other Assistance	12.RD	N66001-17-C-4052	227,046		106,730	33,553,259
Other Assistance	12.RD	N6660417P1483	8,073			33,553,259
Other Assistance	12.RD	PO# 819673	41,987			33,553,259
Other Assistance	12.RD	SGS18-1021	10,272			33,553,259
Other Assistance	12.RD	W81XWH-14-1-0367	509,917			33,553,259
Other Assistance	12.RD	W81XWH-14-C-0054	214,417		8,220	33,553,259
Other Assistance	12.RD	W81XWH-17-1-0487/PO0011025125	123,727			33,553,259
Other Assistance	12.RD	W911NF-18-C-0019	12,828			33,553,259
Other Assistance	12.RD	W911QY-16-C-0106	147,616			33,553,259
Other Assistance	12.RD	W911W5-16-C-0007	489,976			33,553,259
Pathway Inhibitor Development	12.RD	W81XWH-17-C-0066-204160	62,014			33,553,259
Phosphoproteomic Profiling and Functional Characterization of Host Response to Pathogens through Intracellular and Intercellular Signaling	12.RD	W81XWH-15-P-0098-203446	74,547			33,553,259
Program Manager in Information Innovations Office at Defense Advanced Research Projects Agency (DARPA)	12.RD	204202	237,282			33,553,259
Research Support Services for Cross-Domain Pseudo-Sensor for Enhanced-ORM	12.RD	N62271-17-P-1154-204349	89,915			33,553,259
Testing the Situational Strength Process Model-The Important Role of Motivational States	12.RD	W5J9CQ-12-C-0036-202785;E2027851	5,944		31	33,553,259
Tustison IPA	12.RD		11,527			33,553,259
Understanding Network Socio-Geographic Dynamics	12.RD	W15QKN-13-C-0090-				
Pass-Through From AIM Photonics	12.RD	203106;10116.020.00.100	12,642		10,891	33,553,259
		SUNY Polytechnic AIM		58,191		33,553,259
		Mobile Unmanned/manned Distributed Lethality Airborne Network(MUDLAN), Joint Capabilities Technology Demonstration (JCTD) Phase 1-FA8075-				
Corporate	12.RD	14-D-0014-204314;SUB1123884		7,314,657	6,598,036	33,553,259
Pass-Through From Ambercycle Incorporated	12.RD	AT-47475		3,942		33,553,259
Pass-Through From Applied Research Associates, Incorporated	12.RD	PO17-01282 / S-271-002222.02		23,361		33,553,259
Pass-Through From Barron Associates, Incorporated	12.RD	528-SC01□		158,894		33,553,259
Pass-Through From Battelle Memorial Institute	12.RD	US001-0000566421		40,165		33,553,259
Pass-Through From Boeing Company	12.RD	1061-23		21,530		33,553,259

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From Boeing Company	12.RD	PO#000477		398,198		33,553,259
Pass-Through From CACI International Incorporated	12.RD	P000013304		793,996		33,553,259
Pass-Through From CACI International Incorporated	12.RD	P000039542		197,528		33,553,259
		Application of the Nanotrap Technology Platform for Improved Detection of Zika virus and Febrile Illness Pathogens-W911NF-16-C-0060-P00003-				
Pass-Through From Ceres Nanosciences, Incorporated	12.RD	204108;61415701		121,043		33,553,259
		Longitudinal Collection and Biobanking of Biofluids for Nanotrap-203743;614157		3,391		33,553,259
Pass-Through From Ceres Nanosciences, Incorporated	12.RD					
Pass-Through From Charles River Analytics, Incorporated	12.RD	System for Evaluating and Assessing Holistic Aircrew Workload (SEAHAWK)-N68335-16-C-0227-203864;SC1600901		17,200		33,553,259
		Interactive Mixed Media Augmented Reality Simulation Engine (IMMERSE) Technology to Provide a Compelling and Instructionally Rich Training Experience Using Augmented and Mixed-Reality for				
Pass-Through From CHI Systems, Incorporated	12.RD	TC3 Trainees-204338;WB1XWH		39,175		33,553,259
Pass-Through From Christopher and Dana Reeve Foundation	12.RD	CTN13-2017(CS)□		30,445		33,553,259
Pass-Through From Christopher and Dana Reeve Foundation	12.RD	CTN14-2018(CS)		3,815		33,553,259
		C2SIM Cyber Prototype-W31P4Q-16-A-0003-204475;HS-170196		46,273		33,553,259
Pass-Through From COLSA Corporation	12.RD					
Pass-Through From Combustion Research and Flow Technology, Incorporated	12.RD	16-C-0120/C673		16,611		33,553,259
Pass-Through From Corvid Technologies	12.RD	16-013 M67854-16-C-6581		35,940		33,553,259
Pass-Through From Corvid Technologies	12.RD	17-027 W911QX-17-C-0029		5,713		33,553,259
Pass-Through From Deep Learning Analytics	12.RD	VT-100117		7,714		33,553,259
Pass-Through From Dominion MicroProbes, Incorporated	12.RD	W911NF15C0019		108,513		33,553,259
Pass-Through From Draper	12.RD	SC001-000001074		439,388		33,553,259
		Simulation Interoperability to Mission Control (SIMCI)-DOTC-16-01-INIT509-				
Pass-Through From EOIR Technologies	12.RD	204080;S16-06071		95,290		33,553,259
		Resilient Autonomous Secure Common Operating Picture-FA8650-18-P-9201-204442;601				
Pass-Through From Foundry Defense Systems, Incorporated	12.RD			11,372		33,553,259
Pass-Through From Freedom Photonics, Limited Liability Company	12.RD	N00-173-16-C-6007		114,703		33,553,259
Pass-Through From Freedom Photonics, Limited Liability Company	12.RD	PO#N63335-17-C-0479		20,000		33,553,259
Pass-Through From Gallup Government Incorporated	12.RD	HR0011-16-C-0099-002		41		33,553,259
		Jana: Ensuring Secure, Private, and Flexible Data Access-N66001-15-C-				
Pass-Through From Galois Incorporated	12.RD	4070-203721;2015-015		162,875		33,553,259
Pass-Through From Gxm Consulting Limited Liability Company	12.RD	418-UVA-0039 TaskOrder 001		22,013		33,553,259
Pass-Through From HRL LABORATORIES, Limited Liability Company	12.RD	12105-162884-DS		73,511		33,553,259
		Exploring the Use of Innovative Performance Tests to Measure Personality Traits-W911NF-15-C-0216-				
Pass-Through From Human Resources Research Organization	12.RD	204263;17-01		94,397		33,553,259
Pass-Through From IBM, Incorporated	12.RD	PO #5004802541		237,129		33,553,259
		Inference Enterprise Multi-Modeling-2016-16031400006-203811;032016-				
Pass-Through From Innovative Decisions, Incorporated	12.RD	SCITE-GMU		635,887		33,553,259
Pass-Through From Innoveering, Limited Liability Company	12.RD	STTR Contract FA8650-16-C-2715		80,507		33,553,259
		Dynamic Spectrum Access in Space Application-FA9453-15-C-0401-				
Pass-Through From Intelligent Fusion Technology, Incorporated	12.RD	203591;IFT024-1		46,335		33,553,259
Pass-Through From Iowa State University	12.RD	130186-PERIOD 2		79,164		33,553,259
Pass-Through From Johns Hopkins University	12.RD	2.0 VANCO		5,981		33,553,259
Pass-Through From Johns Hopkins University	12.RD	131973		334,024		33,553,259
Pass-Through From Johns Hopkins University	12.RD	120094		877,422		33,553,259
Pass-Through From Johns Hopkins University	12.RD	144378		8,500		33,553,259
Pass-Through From Johns Hopkins University	12.RD	124205		44,654		33,553,259
		National C3 (NC3) Architecture Modernization-N00024-13-D-6400-				
Pass-Through From Johns Hopkins University	12.RD	204065;136871		38,385		33,553,259
Pass-Through From Keranetics, Limited Liability Company	12.RD	W81XWH-15C-0084		111,358		33,553,259
		PaNIMI Quantum Probability Blotto Modeling-N00014-16-C-1056-				
Pass-Through From Knowledge Based Systems, Incorporated	12.RD	204193;2017-GMU-SUBCONTRACT		49,917		33,553,259
Pass-Through From L3 Advanced Programs Incorporated	12.RD	LOG-THIS IS A LOG				

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Pass-Through From L3 Advanced Programs Incorporated	12.RD	PO 7722, CHANGE ORDER 4		47,372		33,553,259
Pass-Through From Lulima Systems	12.RD	NSC-16-0140-002□		171,249		33,553,259
Pass-Through From LGS Innovations	12.RD	LGS171104		124,817		33,553,259
Pass-Through From Lightspin Technologies, Incorporated	12.RD	Lightspin_N00253-17-C-0003 High Frequency Geolocation (HFGeo)- FA8650-16-C-9104-203748;FA8650-16-		3,902		33,553,259
Pass-Through From Lowell Digisonde International	12.RD	C-9104		25,899		33,553,259
Pass-Through From Luna Innovations Incorporated	12.RD	3120-ARM-2S/VT		1,781		33,553,259
Pass-Through From Luna Innovations Incorporated	12.RD	351801VT		26,687		33,553,259
Pass-Through From Luna Innovations, Incorporated	12.RD	3238-ARM-2S		41,029		33,553,259
Pass-Through From Luna Innovations, Incorporated	12.RD	3272-NVY-2S		80,160		33,553,259
Pass-Through From Luna Innovations, Incorporated	12.RD	3571-DHA-1S/UVA		2,093		33,553,259
Pass-Through From Luna Innovations, Incorporated	12.RD	3349-ARM-2S/UVA		54,051		33,553,259
Pass-Through From Luna Innovations, Incorporated	12.RD	3330-NVY-2S/UVA		59,117		33,553,259
Pass-Through From MacAulay-Brown Incorporated	12.RD	PO# DSC3133-01		36,848		33,553,259
Pass-Through From Manufacturing Techniques Incorporated	12.RD	Robust interference rejection in the NQR detection of explosives-W909MY-12- D000-8/TO24-204307;PO 28905		252,150	76,150	33,553,259
Pass-Through From Manufacturing Techniques Incorporated	12.RD	Wearable Sensing Technology for Neuronal Training and Rehabilitation- W909MY-12-D-0008/024-204392;29381		8,842		33,553,259
Pass-Through From Marstel-Day Limited Liability Corporation	12.RD	MSA-17-0017-VT_CMI TO#01		9,338		33,553,259
Pass-Through From MC Technologies	12.RD	MCTech-Li-DigImg		25,339		33,553,259
Pass-Through From Mitre Corporation	12.RD	10-116586□		52,753		33,553,259
Pass-Through From Mitre Corporation	12.RD	118144		48,621		33,553,259
Pass-Through From Mitre Corporation	12.RD	118144-AMENDMENT NO.1		15,019		33,553,259
Pass-Through From Mitre Corporation	12.RD	118149-AMENDMENT NO.1		22,382		33,553,259
Pass-Through From Mitre Corporation	12.RD	118150-AMENDMENT NO.1		19,082		33,553,259
Pass-Through From Mitre Corporation	12.RD	NO. 121979		9,889		33,553,259
Pass-Through From Mitre Corporation	12.RD	SUBCONTRACT 118849		26,262		33,553,259
Pass-Through From Mitre Corporation	12.RD	SUBCONTRACT 118850		29,764		33,553,259
Pass-Through From NanoSonic, Incorporated	12.RD	A-0042		25,302		33,553,259
Pass-Through From NanoSonic, Incorporated	12.RD	AR-0117		41,819		33,553,259
Pass-Through From National Institute of Building Sciences	12.RD	N62470-14-D-1030(X69)		34,632		33,553,259
Pass-Through From Next Century Corporation	12.RD	NC082817-VT-GORDIAN		352,457		33,553,259
Pass-Through From NextGen Aeronautics Incorporated	12.RD	PO 14-09 Global Impact of Conflict Economies Due to Evolving Clandestine Organ Trade-H98230-13-D0054 LAS-		8,652		33,553,259
Pass-Through From North Carolina State University	12.RD	204100;2017-1532-08		85,990		33,553,259
Pass-Through From Northrop Grumman Systems Corporation	12.RD	8140000896		198,274		33,553,259
Pass-Through From Northrop Grumman Systems Corporation	12.RD	8140000899		205,829		33,553,259
Pass-Through From Opto-Knowledge Systems Incorporated	12.RD	Post Intercept Assessment (PIA)- HA0147-17-C-7230-204081;161213-		6,092		33,553,259
Pass-Through From Orbital Sciences Corporation	12.RD	SUBCONTRACT 3021700126		48,408		33,553,259
Pass-Through From ORSA Technologies Limited Liability Corporation	12.RD	SOT-VT-DAFD-16-03 Computational screening platform for predicting protein-DNA binding interfaces-W911SR-17-C-0010- 204159;20170428-MASON-051-ISD-		52,062		33,553,259
Pass-Through From Parabon NanoLabs, Incorporated	12.RD	SBIRII Porphyrin-DNA Origami Constructs as Bio-scavengers for Organophosphates Phase II-W911SR-16-C-0001- 203753;ON-051-OPSBIRII-002 PHASE		64,762		33,553,259
Pass-Through From Parabon NanoLabs, Incorporated	12.RD	2		45,905		33,553,259
Pass-Through From Phase Sensitive Innovations, Incorporated	12.RD	FA8650-15-C-1842		19,134		33,553,259
Pass-Through From Phase Sensitive Innovations, Incorporated	12.RD	N68335-17C-0480 Phase Sens		24,957		33,553,259
Pass-Through From Power Fingerprinting, Incorporated	12.RD	Enhanced Cyber Defense by Leveraging Involuntary Analog Emissions-FA8650- 16-C-7621-203831;1050143		403,023		33,553,259
Pass-Through From Prime Photonics Incorporated	12.RD	ARM 02-205-VT/TO-11		216,166		33,553,259
Pass-Through From Prime Photonics Incorporated	12.RD	NAV 01-314-VT-TO-10 Commercial-Off-The-Shelf (COTS) Approach to Information Security		7,035		33,553,259
Pass-Through From Progeny Systems	12.RD	N00253-16-C-0007-203960;PSC-0341		192,631		33,553,259
Pass-Through From QorTek	12.RD	AT-41461 Derived and Integrated Cyber Effects (DICE)-FA8750-17-C-0209-		26,215		33,553,259
Pass-Through From Raytheon Systems	12.RD	204279;14743/PO9500013553		95,591		33,553,259

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		Mobilizing the Micro-Ops: Securing Processor Architectures via Context-Sensitive Decoding-HR001118C0020-				
Pass-Through From Regents of the University of California	12.RD	204437;97774952		7,347		33,553,259
Pass-Through From Research Triangle Institute	12.RD	TO#3-312-0123589 WO T-4		287		33,553,259
Pass-Through From Rolls Royce Corporation	12.RD	PO5100002429L14		29,401		33,553,259
Pass-Through From SA Photonics Limited Liability Corporation	12.RD	PO 2022VT1607		118,071		33,553,259
Pass-Through From Salem Research Institute Incorporated	12.RD	AT-43873		5,683		33,553,259
Pass-Through From Semiconductor Research Corporation	12.RD	2018-JU-2780		136,773	26,830	33,553,259
Pass-Through From Signature Science, Limited Liability Company	12.RD	HHM402-11-D-0031 DO 0009		128,336		33,553,259
Pass-Through From Signature Science, Limited Liability Company	12.RD	IS1018-004		34,307		33,553,259
Pass-Through From Signature Science, Limited Liability Company	12.RD	TO#IS1018-003/HHM402-17-D-0006		149,935		33,553,259
Pass-Through From Stevens Institute	12.RD	2102710-02/0075/RT-175		54,397		33,553,259
Pass-Through From Stevens Institute	12.RD	Task Order No. 0072		163,025		33,553,259
Pass-Through From Stevens Institute	12.RD	2102739-05		40,463		33,553,259
Pass-Through From Stevens Institute	12.RD	2102770-01/HQ0034-13-D-0004		114,531		33,553,259
Pass-Through From Strategic Analysis Incorporated	12.RD	Trajectory Pattern Mining -N00173-16-F-0674-204147-204079;SA-GMU-NRL-P012-TRJ		38,603		33,553,259
Pass-Through From Strategic Analysis Incorporated	12.RD	User Information Demand Modeling-N00173-16-F-0674-204050;SA-GMU-NRL-P012		47,716		33,553,259
Pass-Through From Tasso Incorporated	12.RD	The HemoLink: A universal platform for blood collection, stabilization, and shipping-HDTRA117C0066-		220,572		33,553,259
Pass-Through From Technology Service Corporation	12.RD	204352;01142051		87,929		33,553,259
Pass-Through From Texas A&M Engineering Experiment Station	12.RD	TSC-1108-33010		22,391		33,553,259
Pass-Through From The Board of Trustees of The Colorado	12.RD	Subcontractor No. 28-S172882		6,616		33,553,259
Pass-Through From The Johns Hopkins University Applied Physics Laboratory	12.RD	Enabling and Securing Robotic Team Situational Awareness-W911NF-17-1-0447-204346;401285-5801		155,414		33,553,259
Pass-Through From The Johns Hopkins University Applied Physics Laboratory	12.RD	145165		993		33,553,259
Pass-Through From Theofanous and Company, Incorporated	12.RD	PO# 140724		128,460		33,553,259
Pass-Through From Tufts University	12.RD	MAE-THEO-8459-14		4,905		33,553,259
Pass-Through From UES, Incorporated	12.RD	101925-00001		60,418		33,553,259
Pass-Through From University of Michigan	12.RD	S-977-022-002		86,190		33,553,259
Pass-Through From University of Michigan	12.RD	3004314293□		291,358		33,553,259
Pass-Through From University of Minnesota	12.RD	3002565134		28,554		33,553,259
Pass-Through From University of Nebraska	12.RD	A003571423		111,289		33,553,259
Pass-Through From University of Southern California	12.RD	TO-0065-00/002		42,095		33,553,259
Pass-Through From University of Southern California	12.RD	101931436		374,121		33,553,259
Pass-Through From VECTARE Limited Liability Company	12.RD	75677855		62,292		33,553,259
Pass-Through From VECTARE Limited Liability Company	12.RD	Distributed System Pattern Discovery Using Time Series Discords-203877;1154-00 REV A		89,524		33,553,259
Pass-Through From VECTARE Limited Liability Company	12.RD	Embedded System Software Architectural Analysis-203961;1162-00		88,550		33,553,259
Pass-Through From VECTARE Limited Liability Company	12.RD	Information Assurance Research for Industrial Control and Logistics Systems (IARICL)-204390;1194-00		55,121		33,553,259
Pass-Through From VECTARE Limited Liability Company	12.RD	Information Assurance Research for Wireless Mediums-204128;1182-00		47,368		33,553,259
Pass-Through From Virginia Tech Applied Research Corporation	12.RD	Internet of Things-203780-204034-204035;1146-00		3,469		33,553,259
Pass-Through From Virginia Tech Applied Research Corporation	12.RD	SUB TASK #0007-001		476,794		33,553,259
Pass-Through From Virginia Tech Applied Research Corporation	12.RD	SUBCONT/TO#0008		139,420		33,553,259
Total Research and Development		SUBCONT/TO#0009		<u>74,864,354</u>	<u>29,678,897</u>	<u>27,293,594</u>
Total U.S. DEPARTMENT OF DEFENSE				<u>144,624,092</u>	<u>33,214,232</u>	<u>28,562,569</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Pass-Through From Virginia Housing Development Authority	14.169			44,004		44,004
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228		16,297,810		16,297,810	16,297,810
Emergency Solutions Grant Program	14.231		2,683,777		2,683,777	2,683,777
Supportive Housing Program	14.235		219,376		219,376	219,376
Home Investment Partnerships Program	14.239		6,764,970		6,764,970	6,764,970

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Housing Opportunities for Persons with AIDS	14.241		663,478		663,478	663,478
Housing Trust Fund	14.275		80,557		80,557	80,557
Fair Housing Assistance Program State and Local	14.401		280,425			280,425
Total Excluding Clusters Identified Below			26,990,393	44,004	26,709,968	
CDBG Disaster Recovery Grants Cluster:						
National Resilient Disaster Recovery Competition	14.272		5,788,210		5,788,210	5,788,210
Total CDBG Disaster Recovery Grants			5,788,210	0	5,788,210	5,788,210
CDBG Entitlement Grants Cluster:						
Community Development Block Grants/Entitlement Grants	14.218					
Pass-Through From Richmond City	14.218	0301-03610-SV0909-1184		93,662		93,662
Total CDBG Entitlement Grants Cluster			0	93,662	0	93,662
Research and Development:						
Healthy Homes Technical Studies Grants	14.906		40,488			40,488
Total Research and Development			40,488	0	0	
Total U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
			32,819,091	137,666	32,498,178	
U.S. DEPARTMENT OF THE INTERIOR						
Cultural and Paleontological Resources Management	15.224					
Pass-Through From National Science Foundation	15.224			19,279		19,279
Forests and Woodlands Resource Management	15.233		30,695			30,695
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	15.250		3,628,060		128,534	3,628,060
Abandoned Mine Land Reclamation (AMLR) Program	15.252		2,459,796		849,351	2,459,796
Science and Technology Projects Related to Coal Mining and Reclamation	15.255		88,645		88,465	341,227
National Forest Acquired Lands	15.438		44,523			44,523
Fish and Wildlife Management Assistance	15.608		87,008		7,800	117,645
Cooperative Endangered Species Conservation Fund	15.615		153,140			518,775
Cooperative Endangered Species Conservation Fund	15.615		9,312		9,312	518,775
		The Nature Conservancy FBMS#				
Cooperative Endangered Species Conservation Fund	15.615	F17AP00101	148,794		148,794	518,775
Clean Vessel Act Program	15.616		393,245		310,079	393,245
Sportfishing and Boating Safety Act	15.622		744,378		743,891	744,378
Enhanced Hunter Education and Safety Program	15.626		240,240			240,240
State Wildlife Grants	15.634		1,622,287			1,625,454
Pass-Through From Southeastern Association of Fish and Wildlife	15.634	GS-F16AP00113-VAH		3,167		1,625,454
Endangered Species Conservation Recovery Implementation Funds	15.657		151,719		38,122	1,922,718
Natural Resource Damage Assessment, Restoration and Implementation	15.658		75,532			188,600
Endangered Species - Candidate Conservation Action Funds	15.660		29,732			29,732
Cooperative Landscape Conservation	15.669		53,944		6,567	53,944
U.S. Geological Survey_ Research and Data Collection	15.808		4,948			527,519
National Geological and Geophysical Data Preservation Program	15.814		27,661			27,661
National Land Remote Sensing Education Outreach and Research	15.815					
Pass-Through From AmericaView Incorporated	15.815			11,492		11,492
Energy Cooperatives to Support the National Coal Resources Data System (NCRDS)	15.819		13,746			13,746
Historic Preservation Fund Grants-In-Aid	15.904	CLG 2016-2017 / CLG 2017-2018 / AACR-VA-01	1,104,797		229,178	1,104,797
Outdoor Recreation Acquisition, Development and Planning	15.916		46,706		46,706	46,706
Rivers, Trails and Conservation Assistance	15.921		6,479			11,161
		NMHP-VA-MM-2017 / NMHP-VA-WM-2017				
National Maritime Heritage Grants Program	15.925		34,219		22,650	34,219
American Battlefield Protection	15.926		18,719		1,495	18,719
Civil War Battlefield Land Acquisition Grants	15.928		4,016,530		4,016,530	4,016,530
Chesapeake Bay Gateways Network	15.930		26,764		20,500	26,764
Conservation Activities by Youth Service Organizations	15.931		76,772			76,772
Cooperative Research and Training Programs Resources of the National Park System	15.945		186,119			1,444,658
Cultural Resources Management	15.946					
Pass-Through From Organization of American Historians	15.946	Study - Segregation in the Virginia Parks		19,273		37,249
Historic Preservation Fund Grants to Provide Disaster Relief to Historic Properties Damaged by Hurricane Sandy	15.957	VA-01 / VA-15 / VA-06 / VA-12	195,609		104,585	195,609
American Battle Monuments Commission (ABMC) Education Reimagined	15.U01	D17PC00446-204327;2043271	51,229		4,999	51,229
Total Excluding Clusters Identified Below			15,771,348	53,211	6,777,558	
Fish and Wildlife Cluster:						
Sport Fish Restoration Program	15.605		3,136,022			4,776,712
Sport Fish Restoration Program	15.605		1,640,687			4,776,712

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From University of Hawaii	15.605	C70259 / MA1148		3		4,776,712
Wildlife Restoration and Basic Hunter Education	15.611		19,890,215			19,953,944
Pass-Through From Tangled Bank Conservation	15.611			63,729		19,953,944
Total Fish and Wildlife Cluster			24,666,924	63,732	0	24,730,656
Research and Development:						
Hurricane Sandy Disaster Relief - Coastal Resiliency Grants	15.153					
Pass-Through From Boston University	15.153	32324-F / 4500001897		19,070		77,286
Pass-Through From National Fish and Wildlife Foundation	15.153			19,769		77,286
Pass-Through From The Nature Conservancy	15.153			5,947		77,286
Pass-Through From The Trust for Tomorrow	15.153			32,500		77,286
Fish, Wildlife and Plant Conservation Resource Management	15.231					
Pass-Through From State of Nevada	15.231	HE-001		8,477		8,477
Wildland Fire Research and Studies Program	15.232		11,357			35,546
Pass-Through From Mississippi State University	15.232			24,189		35,546
Science and Technology Projects Related to Coal Mining and Reclamation	15.255		252,582			341,227
Bureau of Ocean Energy Management (BOEM)						
Environmental Studies Program (ESP)	15.423		86,743		86,313	86,743
Marine Minerals Activities - Hurricane Sandy	15.424		105,204			105,204
Safety and Environmental Enforcement Research and Data Collection for Offshore Energy and Mineral Activities	15.441		34,173			34,173
SECURE Water Act Research Agreements	15.560		147,393			147,393
Fish and Wildlife Management Assistance	15.608	F16APP00439	30,637		4,303	117,645
Cooperative Endangered Species Conservation Fund	15.615					
Pass-Through From Georgia Department of Natural Resources	15.615	605-17010.6		76,647		518,775
Pass-Through From North Carolina Wildlife Resources Commission	15.615	WM-0247B		65,904		518,775
Pass-Through From The California Department of Fish and Wildlife	15.615	Grant agreement number P1510801		64,978		518,775
Migratory Bird Joint Ventures	15.637					
Pass-Through From American Bird Conservancy	15.637			27,499		27,499
Marine Turtle Conservation Fund	15.645		1,367			1,367
Research Grants (Generic)	15.650		4,334			4,334
Migratory Bird Monitoring, Assessment and Conservation	15.655		96,846			96,846
Endangered Species Conservation Recovery Implementation Funds	15.657		1,726,764		16,982	1,922,718
Pass-Through From Kentucky Waterways Alliance	15.657			44,235		1,922,718
Natural Resource Damage Assessment, Restoration and Implementation	15.658		113,068			188,600
National Fish and Wildlife Foundation	15.663	F16AP00530	12,022		10,192	58,701
Pass-Through From National Audubon Society	15.663			46,679		58,701
Fish and Wildlife Coordination and Assistance Programs	15.664		60,827			74,902
Pass-Through From Tufts University	15.664			14,075		74,902
National Wetlands Inventory	15.665		119,968			119,968
Cooperative Ecosystem Studies Units	15.678		153,399			153,399
Assistance to State Water Resources Research Institutes	15.805		77,762			77,762
Earthquake Hazards Research Grants	15.807		151,459			151,459
U.S. Geological Survey Research and Data Collection	15.808		522,571			527,519
National Cooperative Geologic Mapping Program	15.810		177,173		95,706	177,173
Cooperative Research Units Program	15.812		437,551		9,559	437,551
Rivers, Trails and Conservation Assistance	15.921		4,682			11,161
Cooperative Research and Training Programs Resources of the National Park System	15.945		1,258,539		13,181	1,444,658
Cultural Resources Management	15.946		17,976			37,249
Water Use and Data Research	15.981		40,865			40,865
Climate Communication Internships	15.RD	P11AC30805/P12AC10261-202634	4,186			139,720
National Park Service Resource Management Internship Program	15.RD	P11AC30805/P13AC01450-203135	24,370			139,720
Other Assistance	15.RD	G16PX00275	20,983			139,720
Visitor Perceptions of Climate Change in U.S. National Parks	15.RD	P13AC01364/P11AC30805-203086	38,035		21,282	139,720
Pass-Through From Appalachian Trail Conservancy	15.RD	2014-2000-001;417633-19071 / 417633-19275 / 417633-19B61		52,146		139,720
Total Research and Development			5,732,836	502,115	257,518	
Total U.S. DEPARTMENT OF THE INTERIOR			46,171,108	619,058	7,035,076	
U.S. DEPARTMENT OF JUSTICE						
Law Enforcement Assistance Narcotics and Dangerous Drugs Training	16.004		93,132			93,132
Sexual Assault Services Formula Program	16.017		406,610		406,610	406,610
OVW Research and Evaluation Program	16.026		38,738			38,738
Services for Trafficking Victims	16.320	HUMAN TRAFFICKING 110173	137,157		19,076	137,157
Juvenile Accountability Block Grants	16.523		281,464		88,113	281,464
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525		95,101			110,460

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From University of Richmond	16.525	UR27822-S		15,359		110,460
Juvenile Justice and Delinquency Prevention Allocation to States	16.540		727,587		576,843	764,792
Missing Children's Assistance	16.543		359,220			359,220
State Justice Statistics Program for Statistical Analysis Centers	16.550		41,755			41,755
National Criminal History Improvement Program (NCHIP)	16.554		540,479			540,479
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		14,533			4,403,690
Crime Victim Assistance	16.575		48,888,201		44,937,926	48,888,201
Crime Victim Assistance/Discretionary Grants	16.582		515,422		138,310	528,627
Violence Against Women Formula Grants	16.588		3,676,354		2,846,252	3,676,354
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590					
Pass-Through From Action Alliance	16.590			35,600		108,303
Pass-Through From Action Alliance	16.590	ICJR 110917		35,639		108,303
Pass-Through From Virginia Sexual Violence Action Alliance	16.590	16-ICJR-OCME		37,064		108,303
Residential Substance Abuse Treatment for State Prisoners	16.593		185,615		128,830	185,615
Project Safe Neighborhoods	16.609	PSN OAG41501/112603	131,514		10,398	131,514
Public Safety Officers' Educational Assistance	16.615		42,373			42,373
Public Safety Partnership and Community Policing Grants	16.710		302,656			302,656
Juvenile Mentoring Program	16.726		52,515		5,430	191,078
Pass-Through From National 4-H Council	16.726			112,348		191,078
Special Data Collections and Statistical Studies	16.734		18,186		18,186	18,186
PREA Program: Demonstration Projects to Establish "Zero Tolerance" Cultures for Sexual Assault in Correctional Facilities	16.735		41,382			41,382
Edward Byrne Memorial Justice Assistance Grant Program	16.738		3,202,100		2,453,861	3,434,870
Edward Byrne Memorial Justice Assistance Grant Program	16.738	DANVILLE 109750/112454	38,934		38,934	3,434,870
DNA Backlog Reduction Program	16.741		741,088			741,088
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742		169,864			169,864
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745		106,042		106,042	106,042
Edward Byrne Memorial Competitive Grant Program	16.751		136,546			254,209
Economic High-Tech and Cyber Crime Prevention	16.752		46,249			76,143
Second Chance Act Reentry Initiative	16.812	RE-ENTRY 110172	458,520		38,113	458,520
NICS Act Record Improvement Program	16.813		389,629			389,629
National Sexual Assault Kit Initiative	16.833		269,511			269,511
Comprehensive Opioid Abuse Site-Based Program	16.838		1,058			1,058
Equitable Sharing Program	16.922		2,981,292			2,981,292
Pass-Through From Council Of State Governments	16.U01	Justice and Mental Health Collaboration Program (JMHCP) Learning Community-204146:17-PA-161-2504		24,999		28,959
Pass-Through From Maricopa County	16.U02	Risk-Need-Responsivity (RNR)-204367:01144007		3,960	3,600	28,959
Total Excluding Clusters Identified Below			65,130,827	264,969	51,816,524	
Research and Development:						
Legal Assistance for Victims	16.524		48,697			48,697
Juvenile Justice and Delinquency Prevention Allocation to States	16.540		37,205			764,792
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		4,200,007		391,696	4,403,690
Pass-Through From American Institute for Research	16.560			75,891		4,403,690
Pass-Through From Jensen Hughes Incorporated	16.560			55,596		4,403,690
Pass-Through From National Opinion Research Center	16.560			339		4,403,690
Pass-Through From Texas A&M University	16.560			57,324		4,403,690
Criminal Justice Research and Development Graduate Research Fellowships	16.562		44,609			44,609
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580		17,995			17,995
Crime Victim Assistance/Discretionary Grants	16.582					
Pass-Through From The National Center for State Courts	16.582			13,205		528,627
Juvenile Mentoring Program	16.726		26,215			191,078
Edward Byrne Memorial Justice Assistance Grant Program	16.738		30,925			3,434,870
Pass-Through From County of Fairfax	16.738			96,467		3,434,870
Pass-Through From Michigan State University	16.738			66,444		3,434,870
Edward Byrne Memorial Competitive Grant Program	16.751		32,386		18,440	254,209
Pass-Through From County of Roanoke	16.751			85,277		254,209
Economic High-Tech and Cyber Crime Prevention	16.752		29,894			76,143
Innovations in Community-Based Crime Reduction	16.817					
Pass-Through From Berea College	16.817			34,603		41,228
Pass-Through From Local Initiatives Support Corporation	16.817			6,625		41,228

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Other Assistance	16.RD	Evaluating the Crime Control and Cost-Benefit Effectiveness of License Plate Recognition (LPR) Technology in Patrol and Investigations-2013-IJ-CX-0017-203080	9,947			412,786
Other Assistance	16.RD	Research Assistantship Program-204199	40,017			412,786
Pass-Through From American Institutes for Research Institute	16.RD	Juvenile Drug Court Systematic Review-2014-DC-BX-K001-203456;0373700102 PROJECT 03737		15,345		412,786
Pass-Through From Arkansas State University	16.RD	14-678-15		48,236		412,786
Pass-Through From City of Brooklyn Park	16.RD	Increasing Collective Efficacy and Social Capital at Crime Hot Spots: A Patrol Force Approach in Brooklyn Park, Minnesota-2013-DB-BX-0030-203168;00921145		49,375		412,786
Pass-Through From City of Philadelphia	16.RD	Philadelphia Supervision, Motivation, Accountability, Responsibility and Treatment (SMART) Probation 2013-SM-BX-0004-203189;928076;E-2031891 Rainier Beach: Beautiful Safe Place for Youth. Positive Behavioral Interventions and Supports Analysis-2014-NY-FX-K003-204167;DC17-1216		35,522	20,000	412,786
Pass-Through From City of Seattle	16.RD	Risk Assessment, De-Escalation and Referral (RADAR): A System Wide Information Sharing Approach to Increasing Public Safety in First Responder Crisis Management-203795;8427		7,098		412,786
Pass-Through From City of Shoreline	16.RD	National Reentry Resource Center (NRRC) 2-2016-MU-BX-K011-204302-204169;17-LA-161-2528/2516		21,720		412,786
Pass-Through From Council Of State Governments	16.RD	Alameda County Probation-Evaluation & Implementation Support to Alameda County-204213;14843		19,909		412,786
Pass-Through From County of Alameda	16.RD	National Crime Gun Intelligence Center Initiative-E0000015346-204353;G-00691707		90,605	5,865	412,786
Pass-Through From Police Foundation	16.RD	00691707		70,454		412,786
Pass-Through From Urban Institute	16.RD	09333-000-00-VPI-01		4,558		412,786
Total Research and Development			4,517,897	854,593	436,001	
Total U.S. DEPARTMENT OF JUSTICE			69,648,724	1,119,562	52,252,525	
U.S. DEPARTMENT OF LABOR						
Labor Force Statistics	17.002		1,552,653			1,552,653
Compensation and Working Conditions	17.005		145,677			145,677
Unemployment Insurance	17.225		368,170,773			368,170,773
Senior Community Service Employment Program	17.235		1,711,943		1,583,488	1,711,943
Trade Adjustment Assistance	17.245		2,275,300			2,275,300
WIA Dislocated Workers	17.260					
Pass-Through From Bay Consortium	17.260			133,298		188,365
Pass-Through From Lynchburg WIB	17.260			55,067		188,365
H-1B Job Training Grants	17.268		646,524			1,053,726
Pass-Through From New River/Mount Rogers Workforce						
Investment Consortium Board	17.268			36,479		1,053,726
Pass-Through From Shenandoah Valley Workforce						
Investment Board	17.268			20,976		1,053,726
Pass-Through From Total Action For Progress	17.268			134,408		1,053,726
Pass-Through From West Virginia Higher Education Policy						
Commission	17.268	LWIA 13-BCWIB MOU		215,339		1,053,726
Work Opportunity Tax Credit Program (WOTC)	17.271		389,463			389,463
Temporary Labor Certification for Foreign Workers	17.273		730,402			730,402
Workforce Investment Act (WIA) National Emergency Grants	17.277	LWIA 1 MOU 1-2016/LWIA 2 MOU 1-2016/LWIA 4 JD NEG MOU 1/LWIA 8 JD NDWG MOU 1/LWIA 13 JD NEG MOU 1/LWIA 16 JD NEG MOU 1	1,199,402		740,355	1,293,136
Pass-Through From Bay Consortium Workforce						
Investment Board, Incorporated	17.277	WIA-JDNEG-PY14/15-1		1,026		1,293,136
Pass-Through From Opportunity, Incorporated	17.277	SVWDB PROJECT 36216		22,063		1,293,136
Pass-Through From Shenandoah Valley Workforce						
Investment Board	17.277	POWER SVWDB/MECC MOU		20,233		1,293,136
Pass-Through From Southwest Virginia Workforce						
Investment Board	17.277	FY 17-PY12-E22VE-001/FY18-PY16-ES22VE-001		50,412		1,293,136
Workforce Investment Act (WIA) Dislocated Worker National Reserve Technical Assistance and Training	17.281	LWDA 11-15-01 NR/LWDA 16-15-01 NR	29,088		29,088	29,088
Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants	17.282		2,416,452			2,416,452

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
		LWIA 3-MOU 1 2015/LWIA 6-MOU 1 2015/LWIA 8-MOU 1 2015/LWIA 11-MOU 1 2015/LWIA 16-MOU 1 2015/LWIA 17-MOU 1 2015				
Workforce Innovation Fund	17.283		2,945,812		727,431	2,945,812
Apprenticeship USA Grants	17.285		54,156			54,156
Occupational Safety and Health Susan Harwood Training Grants	17.502		67,137			69,310
Occupational Safety and Health State Program	17.503		3,908,422			3,908,422
Consultation Agreements	17.504		1,128,456			1,128,456
Mine Health and Safety Grants	17.600		298,620			298,620
Brookwood-Sago Grant	17.603		29,201			29,201
Other Assistance	17.U01		5,928			5,928
Total Excluding Clusters Identified Below			<u>387,705,409</u>	<u>689,301</u>	<u>3,080,362</u>	
Employment Service Cluster:						
Employment Service/Wagner-Peyser Funded Activities	17.207		16,000,278		139,139	16,000,278
Local Veterans' Employment Representative Program	17.804		6,765,782			6,765,782
Total Employment Service Cluster			<u>22,766,060</u>	<u>0</u>	<u>139,139</u>	<u>22,766,060</u>
WIOA Cluster:						
		LWA 1-15-03/LWA 1-16-03/LWDA 1-17-03/LWA 2-16-03/LWDA 2-17-03/LWA 3-16-03/LWDA 3-17-03/LWA 4-16-03/LWDA 4-17-03/LWA 6-16-03/LWDA 6-17-03/LWA 7-16-03/LWDA 7-17-03/LWA 8-16-03/LWDA 8-17-03/LWA 9-16-03/LWDA 9-17-03/LWA 11-16-03/LWDA 11-17-03/LWA 12-16-03/LWDA				
WIA Adult Program	17.258		13,599,278		12,175,893	14,007,712
Pass-Through From Bay Consortium	17.258			117,058		14,007,712
Pass-Through From Bay Consortium Workforce Investment Board, Incorporated	17.258	FY 17-PY12-E22VE-001/FY18-PY16-ES22VE-001		206,715		14,007,712
Pass-Through From Opportunity, Incorporated	17.258	WIOA-OSO-PY17-Adult Program		26,164		14,007,712
Pass-Through From South Central Workforce Investment Board	17.258			58,497		14,007,712
		LWA 1-16-03/LWDA 1-17-03/LWA 2-16-03/LWDA 2-17-03/LWA 3-15-03/LWA 3-16-03/LWDA 3-17-03/LWA 4-16-03/LWA 6-16-03/LWDA 6-17-03/LWA 7-16-03/LWDA 7-17-03/LWA 8-16-03/LWDA 8-17-03/LWA 9-15-03/LWA 9-16-03/LWDA 9-17-03/LWA 11-16-03/LWDA 11-17-03/LWA 12-16-03/LWDA				
WIA Youth Activities	17.259		13,930,939		12,638,430	14,591,322
Pass-Through From Bay Consortium Workforce Investment Board, Incorporated	17.259	FY 17-PY12-E22VE-001/FY18-PY16-ES22VE-001/PY15-YRCC-001		169,744		14,591,322
Pass-Through From Opportunity, Incorporated	17.259	WIOA-OSY-PY17-1 - Out of School Youth		77,352		14,591,322
Pass-Through From People Incorporated of Southwest Virginia	17.259			5,355		14,591,322
Pass-Through From South Central Workforce Investment Board	17.259			407,932		14,591,322
		LWIA -01-15-01-IWTRR/LWA 1-15-03/LWA 1-16-03/LWDA 1-17-03/LWA 2-15-RR-02/LWA 2-16-03/LWDA 2-17-03/LWA 3-15-03/LWA 3-16-03/LWDA 3-17-03/LWA 4-15-03/LWA 4-16-03/LWA 4-16-03/LWDA 4-17-03/LWIA-6-15-01-IWTRR/LWIA 6-16-03/LWA 6-15-03/LWDA 6-17-03/LWA 7-16-03/LW				
WIA Dislocated Worker Formula Grants	17.278		16,988,817		11,456,688	17,234,493
Pass-Through From Bay Consortium Workforce Investment Board, Incorporated	17.278			38,383		17,234,493
Pass-Through From Capital Region Workforce Partnership	17.278	WIO-OSO-PY17-Dislocated Worker Program		122,872		17,234,493
Pass-Through From Opportunity, Incorporated	17.278			26,163		17,234,493
Pass-Through From South Central Workforce Investment Board	17.278	PW-18657-IM-16		58,258		17,234,493
Total WIOA Cluster			<u>44,519,034</u>	<u>1,314,493</u>	<u>36,271,011</u>	<u>45,833,527</u>
Research and Development:						
Occupational Safety and Health Susan Harwood Training Grants	17.502					
Pass-Through From University Of Florida	17.502			2,173		69,310
Pass-Through From Avar Consulting Incorporated	17.RD	VIRGINIA TECH-2016-001		5,650		5,650
Total Research and Development			<u>0</u>	<u>7,823</u>	<u>0</u>	
Total U.S. DEPARTMENT OF LABOR			<u>454,990,503</u>	<u>2,011,617</u>	<u>39,490,512</u>	

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Academic Exchange Programs - Undergraduate Programs Pass-Through From International Research and Exchanges Board	19.009		6,392,688			6,494,759
Exchanges Board	19.009			67,000		6,494,759
Pass-Through From Partners of the Americas	19.009			2,596		6,494,759
Pass-Through From Partners of the Americas Foundation	19.009	CBG-2016-R2-03		32,475		6,494,759
Pass-Through From Institute of International Education	19.010	3223_VCU_7.1.2016/IIIE0138_VCU_7.1.17		254,948		254,948
Professional and Cultural Exchange Programs - Special Professional and Cultural Programs	19.012		81,156			213,611
Public Diplomacy Programs	19.040		63,576			519,533
Pass-Through From World Learning	19.040			43,384		519,533
Academic Exchange Programs - Teachers Exchanges	19.408			192,708		374,765
Pass-Through From International Research and Exchanges Board	19.408	FY17-ILEP-JMU-01/S-ECAGD-17-CA-1014		182,057		374,765
Professional and Cultural Exchange Programs - Citizen Exchanges	19.415		1,087,990			1,135,437
Pass-Through From Legacy International	19.415			47,447		1,135,437
Pass-Through From Family Health International	19.421			96,634		96,634
Public Diplomacy Programs for Afghanistan and Pakistan	19.501		164,975			164,975
Weapons Removal and Abatement	19.800		1,415,783		110,441	1,415,783
Pass-Through From Institute of International Education	19.U01	The Fulbright Gateway Orientation Program-S-ECAGD-16-CA-1004-204180;17885		45,169		45,169
Total Excluding Clusters Identified Below			9,206,168	964,418	110,441	
Research and Development:						
Professional and Cultural Exchange Programs - Special Professional and Cultural Programs	19.012		132,455			213,611
Environmental and Scientific Partnerships and Programs	19.017		117,602		53,224	117,602
The U.S. President's Emergency Plan for AIDS Relief Programs	19.029	37188-1060	430,409		48,113	553,902
Pass-Through From John Snow Incorporated	19.029	37188-1060		123,493		553,902
Public Diplomacy Programs	19.040	SEAPPD17GR0017	412,573		66,894	519,533
Pass-Through From Center for International Media Assistance	19.345	742681		9,498		9,498
ECA Individual Grants	19.450		12,402			12,402
Global Counterterrorism Programs	19.701		167,260			167,260
AEECA PD Programs	19.900		90,397			90,397
Other Assistance	19.RD		86,665			106,665
Other Assistance	19.RD	Spatiotemporal Innovation Centers for the Secondary Cities Project - SAQMMA17M0720-204172;1-UCRC	20,000		18,182	106,665
Total Research and Development			1,469,763	132,991	186,413	
Total U.S. DEPARTMENT OF STATE			10,675,931	1,097,409	296,854	
U.S. DEPARTMENT OF TRANSPORTATION						
Airport Improvement Program	20.106		545,917			623,330
Highway Research and Development Program	20.200					
Pass-Through From City College of New York Institute	20.200	49325-A		34,595		5,319,083
Highway Training and Education	20.215		26,000			119,808
National Motor Carrier Safety	20.218		5,552,093			5,552,093
Performance and Registration Information Systems Management	20.231		129,615			129,615
Commercial Driver's License Program Improvement Grant	20.232		63,762			63,762
Safety Data Improvement Program	20.234		258,241			258,241
Commercial Motor Vehicle Operator Training Grants	20.235		161,179			161,179
Commercial Vehicle Information Systems and Networks	20.237		769,882			783,783
Fuel Tax Evasion-Intergovernmental Enforcement Effort	20.240		58,527			58,527
High-Speed Rail Corridors and Intercity Passenger Rail Service	20.319		11,862,936		3,697,393	11,862,936
Capital Assistance Grants	20.505		3,098,711		2,634,729	3,098,711
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.509		15,452,486		15,444,472	15,452,486
Formula Grants for Rural Areas	20.514		76,617			352,137
Public Transportation Research	20.528		141,592			141,592
Rail Fixed Guideway Public Transportation System State Safety Oversight Formula Grant Program	20.607		15,168,286		10,029,653	15,168,286
Alcohol Open Container Requirements	20.700		1,937,363			1,937,363
Pipeline Safety Program State Base Grant	20.703		748,309		125,001	748,309
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.820		24,600		24,600	24,600
Maritime Studies and Innovations	20.U01	DTNH22-17	111,453			445,570
Fatal Accident & Reporting	20.U01	Technical Support for Department of Transportation Positive Train Control Program-203973;1066738		334,117		445,570
Pass-Through From Syntek Technologies Incorporated	20.U02			334,117		445,570
Total Excluding Clusters Identified Below			56,187,569	368,712	31,955,848	

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Federal Transit Cluster:						
Federal Transit Formula Grants	20.507		636,683		636,683	10,000,351
Pass-Through From Greater Richmond Transit Company	20.507			9,363,668		10,000,351
Bus and Bus Facilities Formula Program	20.526		1,417,598		1,417,598	1,426,732
Pass-Through From National Academy of Sciences	20.526			9,134		1,426,732
Total Federal Transit Cluster			2,054,281	9,372,802	2,054,281	11,427,083
Highway Planning and Construction Cluster:						
Highway Planning and Construction	20.205		1,002,654,613		106,976,257	1,003,099,790
Highway Planning and Construction	20.205	EN06-076-123,P101,C501:UPC 81772	5,641		5,641	1,003,099,790
Pass-Through From Howard University	20.205			227,641		1,003,099,790
Pass-Through From Minnesota Department Of						
Transportation Business Services	20.205			142,316		1,003,099,790
Pass-Through From University of Illinois	20.205			23,729		1,003,099,790
Pass-Through From University of Wyoming	20.205			2,337		1,003,099,790
Pass-Through From WSP USA Incorporated	20.205			43,513		1,003,099,790
Recreational Trails Program	20.219		1,007,201		1,006,818	1,007,201
Total Highway Planning and Construction Cluster			1,003,667,455	439,536	107,988,716	1,004,106,991
Highway Safety Cluster:						
State and Community Highway Safety	20.600		5,798,634		2,754,612	9,826,455
State and Community Highway Safety	20.600		4,002,629		929,708	9,826,455
Pass-Through From Battelle Memorial Institute	20.600			21,395		9,826,455
Pass-Through From Crash Avoidance Metrics Partnership	20.600			3,797		9,826,455
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601		238,588		238,588	238,588
National Priority Safety Programs	20.616		5,329,120		2,565,786	5,329,120
Total Highway Safety Cluster			15,368,971	25,192	6,488,694	15,394,163
Transit Services Programs Cluster:						
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513		6,090,684		1,789,287	6,090,684
Job Access And Reverse Commute Program	20.516		85,993		85,993	85,993
Total Transit Services Programs Cluster			6,176,677	0	1,875,280	6,176,677
Research and Development:						
Airport Improvement Program	20.106					
Pass-Through From University of Maryland	20.106			77,413		623,330
Aviation Research Grants	20.108		150			427,326
Pass-Through From The University of Alabama in						
Huntsville	20.108			4,036		427,326
Pass-Through From University of Maryland	20.108			423,140		427,326
Highway Research and Development Program	20.200		932,482		687,168	5,319,083
Pass-Through From Battelle Memorial Institute	20.200			21,827		5,319,083
Pass-Through From Crash Avoidance Metrics Partnership	20.200			391		5,319,083
Pass-Through From Georgia Institute of Technology	20.200			72,427		5,319,083
Pass-Through From Iowa State University	20.200			131,615		5,319,083
Pass-Through From MRIGlobal	20.200			35,218		5,319,083
Pass-Through From National Academy of Sciences	20.200	417980-19A53 / 417980-19C45 /				
Pass-Through From National Cooperative Highway		417980-19C46 / 417980-19C47		3,947,635	88,159	5,319,083
Research Program	20.200	417943-19C36 / 417943-19C37		92,187	7,347	5,319,083
Pass-Through From The University of North Carolina at						
Chapel Hill	20.200			6,786		5,319,083
Pass-Through From Transportation Research Board	20.200	417661-19B65		13,053	6,909	5,319,083
Pass-Through From University of Michigan	20.200			30,867		5,319,083
Highway Training and Education	20.215		93,808			119,808
Commercial Vehicle Information Systems and Networks	20.237		13,901			783,783
Railroad Safety Technology Grants	20.321		42,058			42,058
Public Transportation Research	20.514					
Pass-Through From Charles River Analytics Incorporated	20.514			8,669		352,137
Pass-Through From NanoSonic, Incorporated	20.514			19,701		352,137
Pass-Through From New York City Transit	20.514			212,132		352,137
Pass-Through From Science Applications International						
Corporation	20.514			18,453		352,137
Pass-Through From Washington State Insurance Pool	20.514			16,565		352,137
National Highway Traffic Safety Administration (NHTSA)						
Discretionary Safety Grants	20.614		52,383			75,525
Pass-Through From Crash Avoidance Metrics Partnership	20.614			23,142		75,525
University Transportation Centers Program	20.701		4,528,431		2,061,879	4,908,995
Pass-Through From Rutgers, The State University of New						
Jersey	20.701			9,764		4,908,995
Pass-Through From The Research Foundation of State	20.701			106,100		4,908,995
Pass-Through From University of Nevada Las Vegas	20.701			264,700		4,908,995
Transportation Planning, Research and Education	20.931					
Pass-Through From Morgan State University	20.931			131,430		311,748

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From North Carolina Agricultural & Technical State University	20.931			180,318		311,748
Armored Vehicle Stability Analysis	20.RD	DTFH6114D00012 ORDER NO. 0209-204297	136,194			8,239,681
Material Model Development and Its Application Using Finite Element Methods in Engine Failure Analysis	20.RD	13-G-020-203093	251,936		45,000	8,239,681
Other Assistance	20.RD	693JJ318C000005	765,125			8,239,681
Other Assistance	20.RD	DNTH2215D0004-0001	165,795			8,239,681
Other Assistance	20.RD	DTFH6116D00041-0002	137,455			8,239,681
Other Assistance	20.RD	DTFH6117C00009	204,575			8,239,681
Other Assistance	20.RD	DTFR5317C00021	203,743			8,239,681
Other Assistance	20.RD	DTMC7514D00011 TO7007	912,400			8,239,681
Other Assistance	20.RD	DTMC7514D00011-7005	122,614			8,239,681
Other Assistance	20.RD	DTMC7514D00011L-7006	393,355		364,847	8,239,681
Other Assistance	20.RD	DTMC7514D00011L-7008	306,392			8,239,681
Other Assistance	20.RD	DTMC7514D00011L-7009	107,831			8,239,681
Other Assistance	20.RD	DTMC7517F00058	212,325			8,239,681
Other Assistance	20.RD	DTMC7517F00062	53,578			8,239,681
Other Assistance	20.RD	DTMC7517F00064	82,475			8,239,681
Other Assistance	20.RD	DTMC7517F00066	129,245			8,239,681
Other Assistance	20.RD	DTNH22-11-D-00236L/0003	12,342			8,239,681
Other Assistance	20.RD	DTNH2215D00004/DTNH2217F00090	107,124			8,239,681
Other Assistance	20.RD	DTNH2215D00004-0002	132,745			8,239,681
Other Assistance	20.RD	DTNH2215D00022/0001-2	338,890			8,239,681
Other Assistance	20.RD	DTNH2215D00022-0002	180,042			8,239,681
Other Assistance	20.RD	DTNH2215D00022-0003	117,057			8,239,681
Other Assistance	20.RD	DTNH2215D00022-0004	153,291			8,239,681
Other Assistance	20.RD	DTNH2217D00065/DTNH2217RQ01249	10,953			8,239,681
Other Assistance	20.RD	DTNH2217D00065/F00163/RQ01249	168,108			8,239,681
Other Assistance	20.RD	T.O.DTMC7517F00055	72,675			8,239,681
Parameter Study of the Oblique Moving Deformable Barrier (OMDB) Test Procedure	20.RD	DTNH2215D00005/DTNH2217F00183-204342	168,769			8,239,681
Roadside Safety	20.RD	203967	1,277,447			8,239,681
Strategic Highway Research Program 2 (SHRP2) Research Support	20.RD	DTFH6114D00054-203907	39,204			8,239,681
Structural Countermeasure Research Program	20.RD	DTNH2215D00005-203937	58,272			8,239,681
Pass-Through From Crash Avoidance Metrics Partnership	20.RD	PO CAMP0000002		163,749		8,239,681
Pass-Through From Intelligent Automation Incorporated	20.RD	SUBCONTRACT 2260-1 Public-Private Partnerships Procurement Guide and Training-DTFH61-13-D-00022, Task Order 0209-		20,299		8,239,681
Pass-Through From Leidos Incorporated	20.RD	204374;P010203904		16,535		8,239,681
Pass-Through From Leidos, Incorporated	20.RD	PO P010190233		210		8,239,681
Pass-Through From Leidos, Incorporated	20.RD	P010200408		19,301		8,239,681
Pass-Through From MaineWay Services	20.RD	FIRM FIXED PRICE AGREEMENT 5		5,886		8,239,681
Pass-Through From North Carolina Department of Transportation	20.RD	RP 2017-02 Advancing Travel Behavior Information Gathering Through Public Domain Data-DTFH6116C00001-203832;35500-Z9193101		1,581		8,239,681
Pass-Through From State Of Maryland	20.RD	Barrier Analysis of Event Tree Models for Aviation Safety-DTFAWA-11-D-00017; Delivery Order No. 004-		74,620		8,239,681
Pass-Through From State Of Maryland	20.RD	204132;46351-Z9335101 Developing a Standard Process & Work Instruction for the Elicitation of Expert Judgement for Risk Analysis-DTFAWA-11-D-00017/DO 0047-204357;54265-Z9097201		72,426		8,239,681
Pass-Through From State Of Maryland	20.RD	University Transportation Centers Program - National-DTRT13GUTC30-204047;Z9600008		137,025	50,000	8,239,681
Pass-Through From State Of Maryland	20.RD	Wake Turbulence Research-DTFAWA-11-D-0017/DO#0033-203894-204347;36963-Z9234101/53581-Z9089203		61,446		8,239,681
Pass-Through From State Of Maryland	20.RD	Application of Manual for Assessing Safety Hardware (MASH) Test Criteria to Breakaway Sign and Luminaire Support and Crashworthy Work-Zone Traffic Control Devices DTFH61-13-H-00024-203697;HR 03-119/PO		66,564		8,239,681
Pass-Through From The National Academies of Sciences	20.RD	SUB0000734 GERMES ON A PLANE: The Transmission and Risks of Airplane-		19,213	4,932	8,239,681
Pass-Through From Transportation Research Board	20.RD	Borne Diseases-203970;0001061439		2,451		8,239,681
Pass-Through From Transportation Research Board	20.RD	HR 17-43		166,091		8,239,681

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Pass-Through From University of Chicago	20.RD	Coordinated Transit Response Planning and Operations Support Tools for Mitigating Impacts of All-Hazard Emergency Events-D2015-SRER-007-204041;FP062899-E		173,082		8,239,681
Pass-Through From University of Texas at Austin	20.RD	Defining the Boundary Conditions for Composite Behavior of Geosynthetic Reinforced Soil (GRS) Structures-HR 24-		4,953		8,239,681
Pass-Through From Wake Forest University	20.RD	WFUHS-330104		15,105		8,239,681
Pass-Through From Washington State Department of Transportation	20.RD	GCB 1973		176,832		8,239,681
Pass-Through From Westat, Incorporated	20.RD	Evaluation of Advanced Displays and Controls-DTNH2211D00237L/0016-204010;8928-S-003		20,355		8,239,681
Total Research and Development			12,685,170	7,065,293	3,316,241	
Total U.S. DEPARTMENT OF TRANSPORTATION			1,096,140,123	17,271,535	153,679,060	
DEPARTMENT OF THE TREASURY						
Equitable Sharing	21.016	U.S. Dept of Treasury Equitable Sharing Program	2,916,200		195,889	2,916,200
Asset Forfeiture Funds Federal Treasury	21.U01		1,718,651		32,119	2,156,343
Asset Forfeiture Funds Federal Treasury/Regional Police Training Facility and Range	21.U02		437,692			2,156,343
Total Excluding Clusters Identified Below			5,072,543	0	228,008	
Research and Development:						
Pass-Through From The MITRE Corporation	21.RD	IRS Stratified Sampling Methods - TIRNO-99-D-00005-204406;121331		30,197		30,197
Total Research and Development			0	30,197	0	
Total DEPARTMENT OF THE TREASURY			5,072,543	30,197	228,008	
APPALACHIAN REGIONAL COMMISSION						
Appalachian Regional Development	23.001					
Pass-Through From Industrial Development Authority, Wise County	23.001	AACC-138900-06		66,705		66,705
Appalachian Area Development	23.002		2,102,469		829,435	2,102,469
Appalachian Research, Technical Assistance, and Demonstration Projects	23.011		231,672		231,672	235,204
Total Excluding Clusters Identified Below			2,334,141	66,705	1,061,107	
Research and Development:						
Appalachian Research, Technical Assistance, and Demonstration Projects	23.011					
Pass-Through From East Tennessee State University	23.011			3,532		235,204
Total Research and Development			0	3,532	0	
Total APPALACHIAN REGIONAL COMMISSION			2,334,141	70,237	1,061,107	
GENERAL SERVICES ADMINISTRATION						
Donation of Federal Surplus Personal Property	39.003		6,145,840			6,145,840
Total Excluding Clusters Identified Below			6,145,840	0	0	
Total GENERAL SERVICES ADMINISTRATION			6,145,840	0	0	
LIBRARY OF CONGRESS						
Books for the Blind and Physically Handicapped	42.001		66,053		7,500	66,053
Total Excluding Clusters Identified Below			66,053	0	7,500	
Total LIBRARY OF CONGRESS			66,053	0	7,500	
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION						
Science	43.001		410,145			11,075,738
Pass-Through From Virginia Space Grant Consortium	43.001	200009-020		4,500		11,075,738
Aeronautics	43.002		74,599			1,115,093
Pass-Through From Virginia Space Grant Consortium	43.002			13,507		1,115,093
Space Operations	43.007		14,001			66,881
Education	43.008		37,268			384,776
Space Technology	43.012					
Pass-Through From University of Utah	43.012	10044107-VCU		30,858		634,161
Pass-Through From Virginia Space Grant Consortium	43.U01	CK # 343168		2,065		2,065
Total Excluding Clusters Identified Below			536,013	50,930	0	
Research and Development:						
Science	43.001		8,373,081			11,075,738
Science	43.001	80NSC17K0654	18,210		18,210	11,075,738

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Pass-Through From Arizona State University	43.001			252,073		11,075,738
Pass-Through From Bay Area Environmental Research Institute	43.001			7,076		11,075,738
Pass-Through From Cambridge Climate Institute	43.001			54,566		11,075,738
Pass-Through From Dixie State University	43.001			12,380		11,075,738
Pass-Through From Hampton University	43.001			90,609		11,075,738
Pass-Through From HX5 Sierra Limited Liability Corporation	43.001			817		11,075,738
Pass-Through From Johns Hopkins University	43.001			70,062		11,075,738
Pass-Through From Massachusetts Institute of Technology	43.001			1,269		11,075,738
Pass-Through From Michigan State University	43.001			57,692		11,075,738
Pass-Through From microXact Incorporated	43.001			566		11,075,738
Pass-Through From NanoSonic, Incorporated	43.001			84,966		11,075,738
Pass-Through From National Institute of Aerospace Associates	43.001			430,508		11,075,738
Pass-Through From Pennsylvania State University	43.001	NNX14AF93G / 5232-VIMS-NASA-F93G		82,174		11,075,738
Pass-Through From Research Foundation of the City University of New York	43.001	NNX14AP06G / 49A10-A		10,134		11,075,738
Pass-Through From Science Systems & Applications Incorporated	43.001			534,663		11,075,738
Pass-Through From Smithsonian Astrophysical Observatory	43.001			170,981		11,075,738
Pass-Through From Southwest Research Institute	43.001			30,176		11,075,738
Pass-Through From Space Telescope Science Institute	43.001			139,067		11,075,738
Pass-Through From University of Alaska	43.001			(3,109)		11,075,738
Pass-Through From University of California at Berkeley	43.001			30,019		11,075,738
Pass-Through From University of Florida	43.001			1,034		11,075,738
Pass-Through From University of Illinois	43.001			32,291		11,075,738
Pass-Through From University of New Hampshire	43.001			26,167		11,075,738
Pass-Through From University of Oklahoma	43.001			2,995		11,075,738
Pass-Through From Virginia Space Grant Consortium	43.001			22,680		11,075,738
Pass-Through From Woods Hole Oceanographic Institution	43.001			127,946		11,075,738
Aeronautics	43.002		655,321		99,215	1,115,093
Pass-Through From Space Telescope Science Institute	43.002			138,366		1,115,093
Pass-Through From University of Minnesota	43.002			137,323		1,115,093
Pass-Through From Virginia Space Grant Consortium	43.002			95,977		1,115,093
Exploration	43.003		99,703		33,194	142,130
Pass-Through From University of Colorado	43.003			42,427		142,130
Space Operations	43.007		52,880			66,881
Education	43.008		244,754		32,945	384,776
Pass-Through From National Institute of Aerospace	43.008	C17-2D00-W&M		528		384,776
Pass-Through From Old Dominion University Research Foundation	43.008			44,108		384,776
Pass-Through From Texas State University	43.008			31,884		384,776
Pass-Through From The National Institute of Aerospace Associates	43.008	Grant award C15-2B00-CNU/Sub-award activity number 2B05-CNU		6,381		384,776
Pass-Through From Virginia Space Grant Consortium	43.008	17-223-100527-010		19,853		384,776
Cross Agency Support	43.009		107,559			107,559
Space Technology	43.012		603,303		86,128	634,161
Other Assistance	43.RD	1518961		7,204		6,830,342
Other Assistance	43.RD	201045-VT		(16,425)		6,830,342
Other Assistance	43.RD	2014-CK-BX-0005		939,998	773,285	6,830,342
Other Assistance	43.RD	2B81-VT		100		6,830,342
Other Assistance	43.RD	2D33-VT		51,180		6,830,342
Other Assistance	43.RD	301006-VT		161,766		6,830,342
Other Assistance	43.RD	3777-VT		138,286		6,830,342
Other Assistance	43.RD	6563-VT		312,857		6,830,342
Other Assistance	43.RD	6570-VT		23,219		6,830,342
Other Assistance	43.RD	Big data deep learning platform-				
Other Assistance	43.RD	80NSSC17P0612-204303	85,153			6,830,342
Other Assistance	43.RD	NN08-UV A-001	11,279			6,830,342
Other Assistance	43.RD	NNX14AH15G	16,487		3,698	6,830,342
Other Assistance	43.RD	NNX16C279C/NN07-01-Uva	194,341			6,830,342
Other Assistance	43.RD	RSA1549080	11,551			6,830,342
Other Assistance	43.RD	RSA1584135	72,112			6,830,342
Other Assistance	43.RD	The Ionospheric Connection Explorer-				
Other Assistance	43.RD	NNG12FA45C-418124-20002	29,215			6,830,342
Pass-Through From Acoustical and Vibrations Engineering Consultants Incorporated	43.RD	PO 1128		73,077		6,830,342
Pass-Through From Acoustical and Vibrations Engineering Consultants Incorporated	43.RD	PO 1128-MOD1		12,983		6,830,342
Pass-Through From Ascentech Enterprises Incorporated	43.RD	SC2016-01		1,493		6,830,342
Pass-Through From Catholic University of America	43.RD	Multi-spacecraft Observations and Modeling of Solar Energetic Particle Events-NNG11PL10A - Task 175-204177;361375-SUB 1		41,513		6,830,342

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From Catholic University of America	43.RD	Operations and science data support for the IRIS mission-NNG11PL10A-203879-204178;361352 SUB 1-2 Science Support for NASA's Space Physics Data Facility (SPDF)-NNG11PL10A-203880-204185-		36,330		6,830,342
Pass-Through From Catholic University of America	43.RD	204514;361328 SUB 1-2 Solar and Heliospheric-NNG11PL10A - 203904-204009-204120-204176-204184-		205,887		6,830,342
Pass-Through From Catholic University of America	43.RD	204205;361303-SUB 1		166,342		6,830,342
Pass-Through From Hampton University	43.RD	06-001		343,173		6,830,342
Pass-Through From Hampton University	43.RD	HU-150015		30,581		6,830,342
Pass-Through From Intelligent Automation, Incorporated	43.RD	Developing a Safe Architecture for a Million-Flight National Airspace System (NAS)-NNL16AA04C-204023;2217-1		122,424		6,830,342
Pass-Through From Intelligent Automation, Incorporated	43.RD	Metrosim and ACES Testing to Support New York Novel Airspace Configurations (NYNAC)-NNX16CS70C-204345;2196-1 Geodesy and Cartography-		48,558		6,830,342
Pass-Through From Jet Propulsion Laboratory	43.RD	201556;1345925 Local and Global Cartography and Landing Site Characterization-		30,700		6,830,342
Pass-Through From Jet Propulsion Laboratory	43.RD	201553;1345487 Simulations of Radial Velocity Pre-Cursor Survey Yield for Future Direct		35,299		6,830,342
Pass-Through From Jet Propulsion Laboratory	43.RD	Imaging Missions-204332;1582918		86,502		6,830,342
Pass-Through From Jones Edmunds	43.RD	14000-229-01		21,632		6,830,342
Pass-Through From Laser and Plasma Technologies, Limited Liability Company	43.RD	LPTech-Mool-NASA Fiber Based Developing Methods for Specifying Autonomous Systems Behavior-NNH16CT04C-203979;1763		34,629		6,830,342
Pass-Through From Logistics Management Institute LMI	43.RD	PRM3.T04C.NS603.01		39,069		6,830,342
Pass-Through From Luna Innovations Incorporated	43.RD	3499.01VT		21,350		6,830,342
Pass-Through From M4 Engineering Incorporated	43.RD	AT-25971		947		6,830,342
Pass-Through From N5 Sensors Incorporated	43.RD	Nano-engineered Hybrid Gas Sensors for Spacesuit Monitoring-NNX17CJ01C-203988;NNX17CJ01C		129,910		6,830,342
Pass-Through From NanoSonic, Incorporated	43.RD	NANO #N-A03C, W.NG		13,358		6,830,342
Pass-Through From NanoSonic, Incorporated	43.RD	N-D05C		90,091		6,830,342
Pass-Through From NanoSonic, Incorporated	43.RD	N-K08P		1,512		6,830,342
Pass-Through From NanoSonic, Incorporated	43.RD	N-L60P		150		6,830,342
Pass-Through From NanoSonic, Incorporated	43.RD	N-S07P		1,187		6,830,342
Pass-Through From National Institute of Aerospace Associates Incorporated	43.RD	C15-2B00-VT 2B41-VT		22,955		6,830,342
Pass-Through From Prime Photonics Incorporated	43.RD	NAS 02-406-TO 12		105,089		6,830,342
Pass-Through From Simpson Weather Associates, Incorporated	43.RD	NNL14AA14C		48,167		6,830,342
Pass-Through From Southwest Research Institute	43.RD	NASA JPL - NAS703001		139,609		6,830,342
Pass-Through From Southwest Research Institute	43.RD	NASA JPL - NNX13AG36A		20,000		6,830,342
Pass-Through From Southwest Research Institute	43.RD	New Horizons Mission to Pluto-NASW-02008-220629;277046Q		26,948		6,830,342
Pass-Through From Space Telescope Science Institute	43.RD	HST-AR15053.004-A		11,329		6,830,342
Pass-Through From Space Telescope Science Institute	43.RD	48020 Data System Sustaining Engineering and Support-NNG15CR65C-		118,457		6,830,342
Pass-Through From Trident Vantage Systems	43.RD	203775;TVS-2015-10-011		2,257,490		6,830,342
Pass-Through From University of California, Berkeley	43.RD	SUBCONTRACT 00009423		153,199		6,830,342
Pass-Through From University of Central Florida	43.RD	66016028-06		52,113		6,830,342
Pass-Through From University Of Iowa	43.RD	Enhancing Airplane State Awareness for Current and Future Operations-NNL16AA15C-204030;W000880292		86,840		6,830,342
Pass-Through From Vantage Partners Limited Liability Corporation	43.RD	VPL-PO-17-194		161,126		6,830,342
Total Research and Development			12,193,134	7,578,668	2,220,519	
Total NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			12,729,147	7,629,598	2,220,519	
NATIONAL ENDOWMENT FOR THE HUMANITIES						
Promotion of the Arts Grants to Organizations and Individuals	45.024		63,489			95,026
Promotion of the Arts Partnership Agreements	45.025		758,052			758,052
Promotion of the Humanities Federal/State Partnership	45.129		689,426			689,426
Promotion of the Humanities Division of Preservation and Access	45.149		208,657			351,822
Promotion of the Humanities Research	45.161		49,914			877,197

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	45.162		49,834			92,214
Promotion of the Humanities Professional Development Pass-Through From Old Dominion University Research Foundation	45.163		73,693			94,252
Promotion of the Humanities Public Programs	45.163	17-215-100633-010		6,389		94,252
Promotion of the Humanities Office of Digital Humanities	45.164		187,213			257,715
Museums for America	45.169		197,045			319,716
Grants to States	45.301		9,946			9,946
National Leadership Grants	45.310		3,876,926			3,876,926
Laura Bush 21st Century Librarian Program	45.312		29,497			908,722
Other Assistance	45.313		76,068			76,068
Other Assistance	45.U01	PC-15-8-058	22,875			48,924
Other Assistance	45.U02	PC-15-8-059	26,049			48,924
Total Excluding Clusters Identified Below			<u>6,318,684</u>	<u>6,389</u>	<u>0</u>	
Research and Development:						
Promotion of the Arts Grants to Organizations and Individuals	45.024		31,537			95,026
Promotion of the Humanities Division of Preservation and Access	45.149		104,573			351,822
Pass-Through From University of Florida	45.149			23,342		351,822
Pass-Through From University of Nebraska - Lincoln	45.149			15,250		351,822
Promotion of the Humanities Research	45.161		827,283		103,395	877,197
Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	45.162		42,380			92,214
Promotion of the Humanities Professional Development Pass-Through From The Huntington Library	45.163		1,023			94,252
Promotion of the Humanities Public Programs	45.163	5127-T		13,147		94,252
Promotion of the Humanities Office of Digital Humanities	45.164		70,502			257,715
Promotion of the Humanities Office of Digital Humanities	45.169		122,671		7,027	319,716
National Leadership Grants	45.312		823,704		376,540	908,722
Pass-Through From Indiana University	45.312			4,914		908,722
Pass-Through From Science Museum of Virginia	45.312					908,722
Foundation	45.312			48,283		908,722
Pass-Through From University of Nebraska at Omaha	45.312			2,324		908,722
Total Research and Development			<u>2,023,673</u>	<u>107,260</u>	<u>486,962</u>	
Total NATIONAL ENDOWMENT FOR THE HUMANITIES			<u>8,342,357</u>	<u>113,649</u>	<u>486,962</u>	
NATIONAL SCIENCE FOUNDATION						
Engineering Grants	47.041		671,085			19,113,544
Pass-Through From Oregon State University	47.041			93,752		19,113,544
Pass-Through From University of Washington	47.041			29,587		19,113,544
Mathematical and Physical Sciences	47.049		57,227			15,376,409
Geosciences	47.050		172,216			9,360,020
Pass-Through From Fort Hays State University	47.050			13,971		9,360,020
Pass-Through From National Science Foundation	47.050			12,520		9,360,020
Computer and Information Science and Engineering	47.070		80,622			22,147,762
Pass-Through From The George Washington University	47.070			4,970		22,147,762
Biological Sciences	47.074	1735301	38,871		5,947	9,400,741
Social, Behavioral, and Economic Sciences	47.075		64,589			4,907,161
Pass-Through From Middle Tennessee State University	47.075	Subaward 537058-D		2,525		4,907,161
Education and Human Resources	47.076	1323283	2,887,225		14,975	21,480,300
Pass-Through From Prince George's Community College	47.076	73299-1128962-3		15,464		21,480,300
Pass-Through From The Research Foundation of State	47.076			7,999		21,480,300
Pass-Through From American Association for the Advance	47.U01	Science and Technology Policy Fellow at the National Science Foundation-204017-203655;2502		19,949		1,135,434
Pass-Through From Louisiana Transportation Research Center	47.U02	DOTLT1000101		2,940		1,135,434
Other Assistance	47.U03	1540578	354,382			1,135,434
Other Assistance	47.U04	1747663	218,361			1,135,434
Other Assistance	47.U05	Interagency Personnel Act Agreement for Anthony Kelly-EHR-1460631-203356	116,763			1,135,434
Other Assistance	47.U06	Interagency Personnel Act Agreement for Margret Hjalmarson-1461865-203355	86,383			1,135,434
Other Assistance	47.U07	Interagency Personnel Act Agreement for Padmanabhan Seshaiyer-1560583-203686	33,858			1,135,434
Other Assistance	47.U08	NNCO-1440917	302,798			1,135,434
Total Excluding Clusters Identified Below			<u>5,084,380</u>	<u>203,677</u>	<u>20,922</u>	
Research and Development:						
Engineering Grants	47.041		16,623,638		629,319	19,113,544
Engineering Grants	47.041	1266065	50,000		50,000	19,113,544
Pass-Through From Ball State University	47.041			174,293		19,113,544

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Pass-Through From BEM Controls Limited Liability Corporation	47.041			5,093		19,113,544
Pass-Through From Clemson University	47.041			12,031		19,113,544
Pass-Through From Columbia University	47.041			41,409		19,113,544
Pass-Through From Health Network Research Group, Limited Liability Company	47.041			7,985		19,113,544
Pass-Through From High Precision Devices	47.041	P16160-01		10,275		19,113,544
Pass-Through From Iowa State University	47.041			163,899		19,113,544
Pass-Through From Iowa State University	47.041	4206034A		12,839		19,113,544
Pass-Through From Johns Hopkins University	47.041			8,835		19,113,544
Pass-Through From North Carolina State University	47.041			484,697		19,113,544
Pass-Through From North Dakota State University	47.041			15,826		19,113,544
Pass-Through From Penn State University	47.041			106,309		19,113,544
Pass-Through From Rensselaer Polytechnic Institute	47.041			108,477		19,113,544
Pass-Through From Techverse Incorporated	47.041			10,804		19,113,544
Pass-Through From University of Akron	47.041			47,714		19,113,544
Pass-Through From University of Arizona	47.041			6,135		19,113,544
Pass-Through From University of Connecticut	47.041			6,008		19,113,544
Pass-Through From University of Maryland	47.041			246,048		19,113,544
Pass-Through From University of Oklahoma	47.041			56,978		19,113,544
Pass-Through From University of Pittsburgh	47.041	0051478 (011872-1)		29,303		19,113,544
Pass-Through From University of South Carolina	47.041			6,929		19,113,544
Pass-Through From University of South Carolina	47.041	16-3108/17-3171/18-3442/18-3445/18-3443		73,831		19,113,544
Pass-Through From University of Texas at El Paso	47.041			15		19,113,544
Pass-Through From University of Washington	47.041			459		19,113,544
Pass-Through From University of Wisconsin	47.041			9,290		19,113,544
Mathematical and Physical Sciences	47.049		14,989,332		93,393	15,376,409
Pass-Through From Cornell University	47.049			84,042		15,376,409
Pass-Through From Georgia State University	47.049	Georgia State SP00013054		6,199		15,376,409
Pass-Through From National Institute of Aerospace	47.049					15,376,409
Associates	47.049			111,500		15,376,409
Pass-Through From North Carolina State University	47.049	2011-1039-02		20,093		15,376,409
Pass-Through From The Regents of the University of California, Santa	47.049			17,464		15,376,409
Pass-Through From University of Notre Dame	47.049			65,372		15,376,409
Pass-Through From Wichita State University	47.049			25,180		15,376,409
Geosciences	47.050		8,570,581		485,212	9,360,020
Geosciences	47.050	16454444 / 1504270	31,345		31,345	9,360,020
Pass-Through From Bermuda Institute of Ocean Sciences	47.050	1258622		19,627		9,360,020
Pass-Through From Columbia University	47.050			43,299		9,360,020
Pass-Through From Columbia University	47.050	1440435 / 2GG008855		143,731		9,360,020
Pass-Through From Consortium for Ocean Leadership, Incorporated	47.050	SA 15-23		11,149		9,360,020
Pass-Through From DePaul University	47.050			6,982		9,360,020
Pass-Through From Johns Hopkins University	47.050			24,360		9,360,020
Pass-Through From Massachusetts Institute of Technology	47.050			75,216		9,360,020
Pass-Through From Purdue University	47.050			8,876		9,360,020
Pass-Through From Research Foundation of CUNY	47.050			41,499		9,360,020
Pass-Through From The Field Museum	47.050			850		9,360,020
Pass-Through From University of Arizona	47.050	ICER 1642894;AZ:344931		88,395		9,360,020
Pass-Through From University of California, San Diego	47.050	1437015 / 99921903		12,604		9,360,020
Pass-Through From University of Illinois	47.050			39,829		9,360,020
Pass-Through From University of Oregon	47.050	2001SOA		13,973		9,360,020
Pass-Through From University of Southern California	47.050			28,997		9,360,020
Computer and Information Science and Engineering	47.070		21,127,939		1,512,180	22,147,762
Pass-Through From Clemson University	47.070			121,209		22,147,762
Pass-Through From Emory University	47.070			10,851		22,147,762
Pass-Through From Florida International University	47.070	800006269-01UG		23,976		22,147,762
Pass-Through From Indiana University	47.070			286,249		22,147,762
Pass-Through From Regents of the University of California	47.070			117,609		22,147,762
Pass-Through From Rensselaer Polytechnic Institute	47.070			19,718		22,147,762
Pass-Through From Rutgers, The State University of New Jersey	47.070			34,252		22,147,762
Pass-Through From University of Arizona	47.070			90,167		22,147,762
Pass-Through From University of California, San Diego	47.070			22,323		22,147,762
Pass-Through From University of Colorado	47.070			67,851		22,147,762
Pass-Through From University of Illinois	47.070			43,939		22,147,762
Pass-Through From University of Michigan	47.070			41,646		22,147,762
Pass-Through From University of North Carolina at Greensboro	47.070			3,696		22,147,762
Pass-Through From University of Texas at San Antonio	47.070			6,755		22,147,762
Pass-Through From Utah State University	47.070			43,990		22,147,762
Biological Sciences	47.074		8,840,325		794,809	9,400,741
Biological Sciences	47.074	DEB-1257039	8,577		8,577	9,400,741
Pass-Through From Cary Institute of Ecosystem Studies	47.074					9,400,741
Incorporated	47.074			41,837		9,400,741
Pass-Through From College of Charleston	47.074			2,782		9,400,741
Pass-Through From Duke University	47.074			266,010		9,400,741
Pass-Through From Michigan State University	47.074			4,281		9,400,741

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Pass-Through From Oregon State University	47.074			1,901		9,400,741
Pass-Through From Rocky Mountain Bird Observatory	47.074			1,665		9,400,741
Pass-Through From Texas A&M University	47.074			88,918		9,400,741
Pass-Through From University of Georgia	47.074			58,423		9,400,741
Pass-Through From University of Michigan	47.074	DEB-1353908		26,528		9,400,741
Pass-Through From University of South Florida	47.074			11,866		9,400,741
Pass-Through From Wake Forest University	47.074	18 002		8,757		9,400,741
Social, Behavioral, and Economic Sciences	47.075		4,674,165		247,041	4,907,161
Social, Behavioral, and Economic Sciences	47.075	1740951	22,419		22,419	4,907,161
Pass-Through From American Sociological Association	47.075			51,522		4,907,161
Pass-Through From Council of Graduate Schools	47.075			2,415		4,907,161
Pass-Through From Rutgers University	47.075			17,439		4,907,161
Pass-Through From University Of Michigan	47.075			52,917		4,907,161
Pass-Through From University of Oklahoma	47.075			13,338		4,907,161
Pass-Through From University Of Washington	47.075			5,832		4,907,161
Education and Human Resources	47.076		17,459,876		1,977,948	21,480,300
Education and Human Resources	47.076	DUE-1525593 / DUE-1446258	113,768		113,768	21,480,300
Education and Human Resources	47.076	University of Tennessee Sub 2477021 POD0004370/POD0004356/POD00046	6,763		6,763	21,480,300
Education and Human Resources	47.076	05	80,918		80,918	21,480,300
Pass-Through From American Association of Community Colleges	47.076	16-S28		5,450		21,480,300
Pass-Through From American Educational Research Association	47.076			30,930		21,480,300
Pass-Through From Biological Sciences Curriculum Study	47.076			28,957		21,480,300
Pass-Through From Bowie State University	47.076			2,925		21,480,300
Pass-Through From California State University East Bay Foundation	47.076	W114502-241		27,160		21,480,300
Pass-Through From City College of New York	47.076			41,088		21,480,300
Pass-Through From George Washington University	47.076	008749-100006125424		6,432		21,480,300
Pass-Through From Howard University	47.076			96,671		21,480,300
Pass-Through From Howard University	47.076	DRL-1510347/0008783-1000058591		83,583		21,480,300
Pass-Through From Howard University	47.076	20-1200902		30,000		21,480,300
Pass-Through From Johnson C. Smith University	47.076			6,618		21,480,300
Pass-Through From Marymount University	47.076	17-111-100607-010/17-109-100607-010		33,229		21,480,300
Pass-Through From Michigan State University	47.076			5,508		21,480,300
Pass-Through From Museum of Science and Industry	47.076			12,788		21,480,300
Pass-Through From North Dakota State University	47.076			6,786		21,480,300
Pass-Through From Ohio State University	47.076			8,059		21,480,300
Pass-Through From Old Dominion University Research Foundation	47.076			76,579		21,480,300
Pass-Through From South Dakota School of Mines & Technology	47.076			1,357		21,480,300
Pass-Through From Space Science Institute	47.076			42,460		21,480,300
Pass-Through From SRI International	47.076			48,104		21,480,300
Pass-Through From Stevens Institute of Technology	47.076	264-02-01		13,556		21,480,300
Pass-Through From Temple University	47.076			22,162		21,480,300
Pass-Through From The Concord Consortium	47.076			559		21,480,300
Pass-Through From The Research Foundation for the State University of New York	47.076			2,660		21,480,300
Pass-Through From The University of Texas at Austin	47.076			22,493		21,480,300
Pass-Through From University of Colorado	47.076			124,694		21,480,300
Pass-Through From University of Maryland Baltimore	47.076					21,480,300
County	47.076			48,013		21,480,300
Pass-Through From University of Pittsburgh	47.076			62,121		21,480,300
Pass-Through From Westminster College	47.076	1626765-1		17,345		21,480,300
Polar Programs	47.078					21,480,300
Pass-Through From Clemson University	47.078			68,205		157,272
Pass-Through From University of Colorado at Boulder	47.078			89,067		157,272
Office of International and Integrative Activities	47.079		783,996		245,544	789,835
Pass-Through From CRDF Global	47.079			5,839		789,835
Office of Cyberinfrastructure	47.080					789,835
Pass-Through From University of North Carolina-Chapel Hill	47.080			4,708		33,346
Pass-Through From Utah State University	47.080			28,638		33,346
Office of Integrative Activities	47.083					82,316
Pass-Through From Boise State University	47.083			45,064		82,316
Pass-Through From George Washington University	47.083			37,252		82,316
Interagency Personnel Act Agreement for Deborah Goodings	47.RD	CMMI-1530886-203450	308,603			1,682,461
Interagency Personnel Act Agreement Olds	47.RD	BIO-1461743-203376	130,772			1,682,461
IPA-BURBEY EAR	47.RD	1551394	35,133			1,682,461
Other Assistance	47.RD	CHE-1551964	113,273			1,682,461
Other Assistance	47.RD	DGE-1324586	878,168			1,682,461
Other Assistance	47.RD	MCB-1517298	115,376			1,682,461
Pass-Through From Gaiter Limited Liability Corporation	47.RD	AGREEMENT DATED 11/14/16		16,187		1,682,461
Pass-Through From Vietnam Education Foundation	47.RD	VEF Nguyen		84,949	52,490	1,682,461
Total Research and Development			94,964,967	5,413,577	6,351,726	
Total NATIONAL SCIENCE FOUNDATION			100,049,347	5,617,254	6,372,648	

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Small Business Development Centers	59.037		3,095,936		874,810	3,298,663
Pass-Through From Community Business Partnership	59.037			202,727		3,298,663
Federal and State Technology Partnership Program	59.058		45,725			90,125
State Trade and Export Promotion Pilot Grant Program	59.061		131,632			131,632
Pass-Through From Community Business Partnership	59.U01	Veterans Business Opportunity Center (VBOC)-203510;421371		247,713		247,713
Total Excluding Clusters Identified Below			<u>3,273,293</u>	<u>450,440</u>	<u>874,810</u>	
Research and Development:						
Federal and State Technology Partnership Program	59.058					
Pass-Through From MC Technologies	59.058			44,400		90,125
Total Research and Development			<u>0</u>	<u>44,400</u>	<u>0</u>	
Total SMALL BUSINESS ADMINISTRATION			<u>3,273,293</u>	<u>494,840</u>	<u>874,810</u>	
U.S. DEPARTMENT OF VETERAN'S AFFAIRS						
Grants to States for Construction of State Home Facilities	64.005		334,285			334,285
Veterans State Domiciliary Care	64.014		653,703			653,703
Veterans State Nursing Home Care	64.015		23,819,066			23,819,066
Burial Expenses Allowance for Veterans	64.101		779,796			779,796
Veterans Information and Assistance	64.115		6,416			6,416
All-Volunteer Force Educational Assistance	64.124		722,792			722,792
State Cemetery Grants	64.203		432,170			432,170
For Us the Living: Learning from the Stories of the Alexandria National Cemetery	64.U01	36C78618C0083/VA786J85067-204433	51,878		5,000	86,707
SalemVA_Krupnick_VA Qing Wang	64.U02		32,001			86,707
Pass-Through From National History Day Incorporated	64.U03	Veterans Legacy Program- 204446;E2044461-00620302		2,828		86,707
Total Excluding Clusters Identified Below			<u>26,832,107</u>	<u>2,828</u>	<u>5,000</u>	
Research and Development:						
Asymptomatic Carotid Stenosis	64.RD	36C24518S0009 PO 512-D85020-204417 203852	59,670			187,486
Other Assistance	64.RD	VA246-16-P-5852	462			187,486
Other Assistance	64.RD	VA268-16-C-0013	15,931			187,486
Sahu-IPA	64.RD		51,035			187,486
Salem-Krupnick	64.RD		14,910			187,486
Salem-Krupnick IPA	64.RD		41,734			187,486
Stimson IPA	64.RD		3,744			187,486
Total Research and Development			<u>187,486</u>	<u>0</u>	<u>0</u>	
Total U.S. DEPARTMENT OF VETERAN'S AFFAIRS			<u>27,019,593</u>	<u>2,828</u>	<u>5,000</u>	
ENVIRONMENTAL PROTECTION AGENCY						
State Indoor Radon Grants	66.032		155,807			155,807
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034		529,423			529,423
State Clean Diesel Grant Program	66.040		232,831		230,349	232,831
State Public Water System Supervision	66.432		2,007,319			2,007,319
Urban Waters Small Grants	66.440		25,083			25,083
Water Quality Management Planning	66.454		256,672		3,737	256,672
Nonpoint Source Implementation Grants	66.460		2,928,469		1,416,879	2,928,469
Chesapeake Bay Program	66.466		7,848,581		1,146,578	9,113,760
Chesapeake Bay Program	66.466	544908-19B96	15,000		15,000	9,113,760
Pass-Through From National Fish & Wildlife Foundation	66.466	544908-19B96		162,636		9,113,760
Pass-Through From National Fish & Wildlife Foundation	66.466			131,481		9,113,760
Pass-Through From Sustainable Chesapeake	66.466			48,567		9,113,760
Beach Monitoring and Notification Program Implementation Grants	66.472		677			284,244
P3 Award: National Student Design Competition for Sustainability	66.516		7,672			7,815
Performance Partnership Grants	66.605		10,548,856		81,395	10,725,031
Environmental Information Exchange Network Grant Program and Related Assistance	66.608		3,324			3,324
TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals	66.707		279,281			279,281
Pollution Prevention Grants Program	66.708		32,050			32,050
Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies	66.716		3,217			3,217
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802		319,688			319,688
Underground Storage Tank Prevention, Detection and Compliance Program	66.804		656,127			656,127
Leaking Underground Storage Tank Trust Fund Corrective Action Program	66.805		1,273,683			1,273,683

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Superfund State and Indian Tribe Core Program Cooperative Agreements	66.809		103,391			103,391
Brownfields Assessment and Cleanup Cooperative Agreements	66.818		125,843			125,843
Total Excluding Clusters Identified Below			<u>27,352,994</u>	<u>342,684</u>	<u>2,893,938</u>	
Clean Water State Revolving Fund Cluster:						
Capitalization Grants for Clean Water State Revolving Funds	66.458		22,702,689		21,772,650	22,702,689
Total Clean Water State Revolving Fund Cluster			<u>22,702,689</u>	<u>0</u>	<u>21,772,650</u>	<u>22,702,689</u>
Drinking Water State Revolving Fund Cluster:						
Capitalization Grants for Drinking Water State Revolving Funds	66.468		14,375,092		10,474,208	14,375,092
Total Drinking Water State Revolving Fund Cluster			<u>14,375,092</u>	<u>0</u>	<u>10,474,208</u>	<u>14,375,092</u>
Research and Development:						
National Clean Diesel Emissions Reduction Program	66.039		50,255		18,744	50,255
Long Island Sound Program	66.437					
Pass-Through From National Audubon Society	66.437			412		412
Regional Wetland Program Development Grants	66.461		122,888			122,888
Chesapeake Bay Program	66.466		725,286		19,833	9,113,760
Pass-Through From Chesapeake Bay Trust	66.466	43353		53,831		9,113,760
Pass-Through From Middle Peninsula Planning District	66.466	53964		83,516		9,113,760
Pass-Through From Pacific Walrus Conservation Fund	66.466			44,862		9,113,760
Beach Monitoring and Notification Program Implementation Grants	66.472		283,567		9,681	284,244
Senior Environmental Employment Program	66.508		140,262			140,262
Science To Achieve Results (STAR) Research Program	66.509		51,825			157,575
Pass-Through From Carnegie Mellon University	66.509			73,501		157,575
Pass-Through From Clark University	66.509			32,249		157,575
Office of Research and Development Consolidated Research/Training/Fellowships	66.511		105,809			105,809
Greater Research Opportunities (GRO) Fellowships For Undergraduate Environmental Study	66.513		7			7
Science To Achieve Results (STAR) Fellowship Program	66.514		3,196			3,196
P3 Award: National Student Design Competition for Sustainability	66.516		143			7,815
Performance Partnership Grants	66.605		176,175			10,725,031
Environmental Education Grants	66.951					
Pass-Through From Chincoteague Bay Field Station	66.951			4,949		4,949
Total Research and Development			<u>1,659,413</u>	<u>293,320</u>	<u>48,258</u>	
Total ENVIRONMENTAL PROTECTION AGENCY			<u>66,090,188</u>	<u>636,004</u>	<u>35,189,054</u>	
NUCLEAR REGULATORY COMMISSION						
U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006		102,951			102,951
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008		378,936			847,451
Total Excluding Clusters Identified Below			<u>481,887</u>	<u>0</u>	<u>0</u>	
Research and Development:						
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008		468,515			847,451
Total Research and Development			<u>468,515</u>	<u>0</u>	<u>0</u>	
Total NUCLEAR REGULATORY COMMISSION			<u>950,402</u>	<u>0</u>	<u>0</u>	
U.S. DEPARTMENT OF ENERGY						
State Energy Program	81.041		1,512,393		201,852	2,237,171
Weatherization Assistance for Low-Income Persons	81.042		3,842,204		3,842,204	3,842,204
Conservation Research and Development	81.086					
Pass-Through From Fraunhofer USA Incorporated	81.086	DE_EE0008223-VCU		31,354		1,341,338
Renewable Energy Research and Development	81.087		42,746		15,102	628,414
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117		522,945			1,027,741
State Energy Program Special Projects	81.119		59,435			330,278
Nuclear Energy Research, Development and Demonstration	81.121		55,993			3,327,974
Pass-Through From Massachusetts Institute of Technology	81.121			124,336		3,327,974
Advanced Research Projects Agency - Energy	81.135		411,505		302,669	2,192,603
Pass-Through From University of Illinois	81.135	UNIV OF ILLINOIS @ URBANA CHAM		117,595		2,192,603
Other Assistance	81.U01	AFC-7-70044-12	15,175			15,175
Total Excluding Clusters Identified Below			<u>6,462,396</u>	<u>273,285</u>	<u>4,361,827</u>	
Research and Development:						
Inventions and Innovations	81.036					

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From Oak Ridge Associated Universities Incorporated	81.036			9,537		9,537
State Energy Program	81.041		724,778		724,778	2,237,171
Office of Science Financial Assistance Program	81.049		8,801,297		135,695	10,089,120
Office of Science Financial Assistance Program	81.049	DE-SC0016263	79,871		79,871	
Pass-Through From Aerosol Devices Incorporated	81.049			9,390		10,089,120
Pass-Through From Giner Incorporated	81.049			823		10,089,120
Pass-Through From Innovatech Engineering	81.049			47,369		10,089,120
Pass-Through From Innovative Wireless Technologies Incorporated	81.049			16,113		10,089,120
Pass-Through From Intelligent Light	81.049			66,892		10,089,120
Pass-Through From Louisiana State University	81.049			236,691		10,089,120
Pass-Through From Luna Innovations Incorporated	81.049			40,583		10,089,120
Pass-Through From Ohio State University	81.049			140,461		10,089,120
Pass-Through From Ohio State University Research Foundation	81.049	60042071		22,443		10,089,120
Pass-Through From Pennsylvania State University	81.049			280,702		10,089,120
Pass-Through From Smithsonian Institution	81.049	DE-SC0014413 / 16-SUBC-440-0000336870		140,286		10,089,120
Pass-Through From University of California at Berkeley	81.049			20,142		10,089,120
Pass-Through From University of Michigan	81.049			91,655		10,089,120
Pass-Through From University of North Carolina	81.049	5103980-DE-SC0015376		67,638		10,089,120
Pass-Through From University of Notre Dame	81.049			26,764		10,089,120
Nuclear Waste Disposal Siting	81.065					
Pass-Through From Vanderbilt University	81.065			225,230		225,230
Regional Biomass Energy Programs	81.079		88,942		10,418	88,942
Conservation Research and Development	81.086		886,122		124,647	1,341,338
Pass-Through From North Carolina State University	81.086			378,227		1,341,338
Pass-Through From University of Houston	81.086			45,635		1,341,338
Renewable Energy Research and Development	81.087		558,191		78,511	628,414
Pass-Through From SRI International	81.087			10,337		628,414
Pass-Through From University of Florida	81.087			17,140		628,414
Fossil Energy Research and Development	81.089		2,861,648		1,211,871	3,987,455
Pass-Through From Advanced Resources International Incorporated	81.089			88,433		3,987,455
Pass-Through From Marshall Miller & Associates Incorporated	81.089			94,254		3,987,455
Pass-Through From Southern States Energy Board	81.089			273,987		3,987,455
Pass-Through From University of Kentucky	81.089			569,708		3,987,455
Pass-Through From University of Utah	81.089			26,895		3,987,455
Pass-Through From West Virginia University	81.089			72,530		3,987,455
Defense Nuclear Nonproliferation Research Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.113		87,100		87,100	87,100
State Energy Program Special Projects	81.119		504,796		193,056	1,027,741
Pass-Through From Pacific Northwest National Laboratory	81.119		181,874		181,874	330,278
Nuclear Energy Research, Development and Demonstration	81.121		1,688,897		293,915	3,327,974
Pass-Through From Electric Power Research Institute	81.121	10005187		169,228		3,327,974
Pass-Through From Fermi Research Alliance, Limited Liability Company	81.121			36,681		3,327,974
Pass-Through From Georgia Institute of Technology	81.121			257,380		3,327,974
Pass-Through From Ohio State University Research Foundation	81.121	60043837-VCU		21,439		3,327,974
Pass-Through From Pennsylvania State University	81.121	5293-VCU-DOE-8425		81,406		3,327,974
Pass-Through From Purdue University	81.121			10,049		3,327,974
Pass-Through From Stony Brook University	81.121			124,437		3,327,974
Pass-Through From The Ohio State University	81.121			334,556		3,327,974
Pass-Through From The University of Tennessee	81.121	A16-0370-S002		85,306		3,327,974
Pass-Through From University of Florida	81.121			104,183		3,327,974
Pass-Through From University of Illinois	81.121			4,741		3,327,974
Pass-Through From University of Utah	81.121	10035152VCU		129,365		3,327,974
Pass-Through From University of Wisconsin at Madison	81.121	704K281		59,242		3,327,974
Pass-Through From University of Wisconsin Madison	81.121			24,730		3,327,974
Pass-Through From Vanderbilt University	81.121			16,005		3,327,974
Electricity Delivery and Energy Reliability, Research, Development and Analysis	81.122		111,013			275,487
Pass-Through From Grid Protection Alliance	81.122			164,474		275,487
National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program	81.123		3,505,010		2,813,227	3,505,010
Predictive Science Academic Alliance Program	81.124					
Pass-Through From University of Illinois	81.124			61,574		61,574
Advanced Research Projects Agency - Energy	81.135		1,442,706		372,405	2,192,603
Pass-Through From GeneSiC Semiconductor Incorporated	81.135			28,322		2,192,603
Pass-Through From Microlink Devices Incorporated	81.135			56,686		2,192,603
Pass-Through From SixPoint Materials Incorporated	81.135			135,789		2,192,603
Grain Boundary Diffusion in Electronic and Structural Materials	81.RD	DE-FG02-01ER45871-200297 JSA 07-C0317101; subcontract #	62,624			4,990,563
Nuclear Physics	81.RD	10C0418300	174,509			4,990,563

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Other Assistance	81.RD	4000099824	29,495			4,990,563
Other Assistance	81.RD	4000101438	37,567			4,990,563
Other Assistance	81.RD	4000126808	481			4,990,563
Other Assistance	81.RD	4000145154	4,718			4,990,563
Other Assistance	81.RD	4000145630	20,390			4,990,563
Other Assistance	81.RD	4000149894	53,583			4,990,563
Other Assistance	81.RD	4000150613	111,204			4,990,563
Other Assistance	81.RD	4000151011	11,762			4,990,563
Other Assistance	81.RD	4000152854	40,950			4,990,563
Other Assistance	81.RD	4000156549	41,979			4,990,563
Other Assistance	81.RD	4000159607	16,381			4,990,563
Other Assistance	81.RD	4000160669	17,734			4,990,563
Other Assistance	81.RD	4000161786	8,268			4,990,563
Other Assistance	81.RD	4000162000	4,484			4,990,563
Other Assistance	81.RD	4000162162	12,722			4,990,563
Other Assistance	81.RD	7350174	74,842			4,990,563
Other Assistance	81.RD	AFC-7-70023-01	7,840			4,990,563
Other Assistance	81.RD	AT-40650	4,848			4,990,563
Other Assistance	81.RD	SPO: 1771991 Rev: 2	31,298			4,990,563
Other Assistance	81.RD	TASK ORDER #4000143330	18,521			4,990,563
Other Assistance	81.RD	TASK ORDER 4000143784	47,270			4,990,563
Pass-Through From Alliance for Sustainable Energy, Limited Liability Company	81.RD	01/ER 132000		60,712		4,990,563
Pass-Through From Argonne National Laboratory	81.RD	7F-30113		86,595		4,990,563
Pass-Through From Argonne National Laboratory	81.RD	8F-30034		45,759		4,990,563
Pass-Through From Battelle Energy Alliance	81.RD	180192		52,738		4,990,563
Pass-Through From Battelle Energy Alliance	81.RD	182317		16,834		4,990,563
Pass-Through From Battelle Energy Alliance	81.RD	182357		5,651		4,990,563
Pass-Through From Battelle Energy Alliance	81.RD	194640		10,946		4,990,563
Pass-Through From Battelle Energy Alliance, Limited Liability Company	81.RD	179572		129,807	73,187	4,990,563
Pass-Through From Battelle Memorial Institute, Pacific Northwest Division	81.RD	344131		46,448		4,990,563
Pass-Through From Battelle Memorial Institute, Pacific Northwest Division	81.RD	PO-351044		94,197		4,990,563
Pass-Through From Battelle Pacific Northwest National Laboratory	81.RD	398502		3,640		4,990,563
Pass-Through From Bechtel Marine Propulsion	81.RD	PURCHASE ORDER 7015060		10,580		4,990,563
Pass-Through From Bowie State University	81.RD	2112		15,000		4,990,563
Pass-Through From Brookhaven Science Associates	81.RD	200933		10,938		4,990,563
Pass-Through From Brookhaven Science Associates	81.RD	310702/BNL-0000310702		17,955		4,990,563
Pass-Through From Brookhaven Science Associates	81.RD	320777/DE-SC0012704		57,912		4,990,563
Pass-Through From Consolidated Nuclear Security, Limited Liability Company.	81.RD	4300095567		81,272		4,990,563
Pass-Through From Fermi Research Alliance, Limited Liability Company	81.RD	PO #613874		17		4,990,563
Pass-Through From Fermi Research Alliance, Limited Liability Company	81.RD	PO #615857		71,786		4,990,563
Pass-Through From Fermi Research Alliance, Limited Liability Company	81.RD	618506		29,957		4,990,563
Pass-Through From Fermi Research Alliance, Limited Liability Company	81.RD	609502		276,936		4,990,563
Pass-Through From General Electric Global Research	81.RD	401107732		77,238		4,990,563
Pass-Through From General Motors Corporation	81.RD	PO 4300226098		190,314		4,990,563
Pass-Through From Honeywell Federal Manufacturing & Technologies Limited Liability Corporation	81.RD	N000181541		215,247		4,990,563
Pass-Through From Honeywell Federal Manufacturing & Technologies Limited Liability Corporation	81.RD	N000232089		192,391		4,990,563
Pass-Through From Honeywell Federal Manufacturing & Technologies Limited Liability Corporation	81.RD	N000268299		13,087		4,990,563
Pass-Through From Honeywell Federal Manufacturing & Technologies Limited Liability Corporation	81.RD	N000270409		7,781		4,990,563
Pass-Through From Honeywell Federal Manufacturing & Technologies Limited Liability Corporation	81.RD	N000271400		7,542		4,990,563
Pass-Through From HRL Laboratories Limited Liability Corporation	81.RD	13047-401292-DS RELEASE NO. 1; MAS AGREEMENT		62,392		4,990,563
Pass-Through From Idaho National Laboratory	81.RD	178370		11,294		4,990,563
Pass-Through From Jefferson Science Associates, Limited Liability Company	81.RD	JSA Palatchi		6,000		4,990,563
Pass-Through From Jefferson Science Associates, Limited Liability Company	81.RD	16-C0252		41,811		4,990,563
Pass-Through From Jefferson Science Associates, Limited Liability Company	81.RD	JSA-13-C1448		(9,286)		4,990,563
Pass-Through From Jefferson Science Associates, Limited Liability Company	81.RD	JSA_Zheng_Fellowship		12,000		4,990,563
Pass-Through From Jefferson Science Associates, Limited Liability Company	81.RD	JSA_DAY_AS-PHYS		12,000		4,990,563
Pass-Through From Jefferson Science Associates, Limited Liability Company	81.RD	JSA_Palatchi_AS-PHYS		12,000		4,990,563

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From Lawrence Livermore National Laboratory	81.RD	B622260		205,689		4,990,563
Pass-Through From Lawrence Livermore National Laboratory	81.RD	B624010		52,873		4,990,563
Pass-Through From Los Alamos National Laboratory	81.RD	370834		18,515		4,990,563
Pass-Through From Los Alamos National Laboratory	81.RD	420715		38,765		4,990,563
Pass-Through From Los Alamos National Laboratory	81.RD	438557		68,966		4,990,563
Pass-Through From Los Alamos National Security, Limited Liability Company	81.RD	301950		182,310		4,990,563
Pass-Through From Luna Innovations, Incorporated	81.RD	Subgrant No. 3316-DOE-1S/UVA		72,658		4,990,563
Pass-Through From Navarro Research and Engineering	81.RD	LMCP5739		9,754		4,990,563
Pass-Through From Pacific Northwest National Laboratory	81.RD	334567		148,954		4,990,563
Pass-Through From Pacific Northwest National Laboratory	81.RD	397595		31,292		4,990,563
Pass-Through From Pacific Northwest National Laboratory	81.RD	CalWater2015 Atmospheric Rivers and their Teleconnections-DE-AC05-		100,621		4,990,563
Pass-Through From Palo Alto Research Center	81.RD	76RL01830-204256;363460		462,305		4,990,563
Pass-Through From Sandia National Laboratories	81.RD	SUBCONTRACT NO. 312696				4,990,563
Pass-Through From Savannah River Remediation	81.RD	Fractional Differential Operators for Features Detection in the Subsurface-		15,472		4,990,563
Pass-Through From The Regents of the University of California	81.RD	DE-NA0003525-204222;PO 1808381		127,678		4,990,563
Pass-Through From University of Chicago Argonne, Limited Liability Company	81.RD	SRRA107772		38,777		4,990,563
Pass-Through From University of Delaware	81.RD	7044919				4,990,563
Pass-Through From University of Idaho	81.RD	Development Support for POLARIS Transportation System Model-DE-AC02-		64,066		4,990,563
Pass-Through From UT-Battelle Limited Liability Corporation	81.RD	06CH11357-204042;7F-30006		118,537		4,990,563
Pass-Through From UT-Battelle Limited Liability Corporation	81.RD	45025		11,861		4,990,563
Pass-Through From UT-Battelle, Limited Liability Company	81.RD	CAK978-SB-002		38,778		4,990,563
Pass-Through From UT-Battelle, Limited Liability Company	81.RD	4000157790		2,547		4,990,563
Pass-Through From UT-Battelle, Limited Liability Company	81.RD	4000160799		3,652		4,990,563
Pass-Through From UT-Battelle, Limited Liability Company	81.RD	4000162266		19,201		4,990,563
Pass-Through From UT-Battelle, Limited Liability Company	81.RD	4000148077		28,185		4,990,563
Pass-Through From UT-Battelle, Limited Liability Company	81.RD	4000144686		40,923		4,990,563
Pass-Through From UT-Battelle, Limited Liability Company	81.RD	4000144884		22,418		4,990,563
Pass-Through From UT-Battelle, Limited Liability Company	81.RD	4000143222		71,504		4,990,563
Pass-Through From Vanderbilt University	81.RD	4000133430		35,200		4,990,563
Pass-Through From Vanderbilt University	81.RD	UNIV59966				4,990,563
Pass-Through From VLNComm Limited Liability Company	81.RD	Assessment of Infection Induced Inflammation in The Blood Barrier and Utility of Anti-Inflammatory Strategies-		43,963		4,990,563
Pass-Through From West Virginia University	81.RD	DE-AC52-06NA25396-		66,378		4,990,563
Total Research and Development		204410;UNIV59912		22,355,715	9,171,520	6,380,555
Total U.S. DEPARTMENT OF ENERGY				28,818,111	9,444,805	10,742,382

U.S. DEPARTMENT OF EDUCATION

Adult Education - Basic Grants to States	84.002		12,675,880		8,841,493	12,675,880
Title I Grants to Local Educational Agencies	84.010		258,403,321		255,370,153	259,515,482
Migrant Education_State Grant Program	84.011		863,427		677,672	863,427
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013		1,535,954		863,415	1,535,954
Overseas Programs - Group Projects Abroad	84.021		5,747			5,747
Higher Education Institutional Aid	84.031		9,177,162			9,177,162
Career and Technical Education -- Basic Grants to States	84.048		20,560,211		15,117,056	20,560,211
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126		88,718,117		1,001,804	88,718,117
Rehabilitation Long-Term Training	84.129		435,433			435,433
National Institute on Disability and Rehabilitation Research	84.133		64,705			81,496
Migrant Education Coordination Program	84.144		103,935		40,533	103,935
Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	84.177		674,693			674,693
Special Education-Grants for Infants and Families	84.181		11,010,359		8,690,158	11,010,359
Safe and Drug-Free Schools and Communities National Programs	84.184		649,840		82,941	649,840
Supported Employment Services for Individuals with the Most Significant Disabilities	84.187		667,445			667,445

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Education for Homeless Children and Youth	84.196	885-86606-S196A160048 / S196A170048	1,052,572		778,327	1,052,572
Graduate Assistance in Areas of National Need	84.200		431,278			431,278
Javits Gifted and Talented Students Education	84.206					
Pass-Through From Ohio Department of Education	84.206	S206A150004		18,232		1,559,760
Centers for International Business Education	84.220					
Pass-Through From Indiana University	84.220			621		621
Assistive Technology	84.224		2,244,064			2,244,064
Rehabilitation Services Demonstration and Training Programs	84.235		1,104,702		511,521	1,104,702
Rehabilitation Training Continuing Education	84.264					
Pass-Through From University of Wisconsin at Madison	84.264	144-339099		102,471		102,471
Ready to Teach	84.286		125,370			125,370
Twenty-First Century Community Learning Centers	84.287		20,833,330		19,570,596	20,833,330
Education Research, Development and Dissemination	84.305	R305A160398	345,197		178,423	10,883,599
Special Education - State Personnel Development	84.323		1,561,083		822,372	1,561,083
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325		852,771			981,168
Pass-Through From Vanderbilt University	84.325	3116-018447		128,397		981,168
Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326		260,448			274,220
Pass-Through From The Teaching Research Institute	84.326	TRSUB17.10		13,772		274,220
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334		4,660,615		4,435,739	4,660,615
Child Care Access Means Parents in School	84.335		47,087		22,441	47,087
Teacher Quality Partnership Grants	84.336		1,350,000		473,370	1,350,000
Rural Education	84.358		2,509,805		2,400,218	2,509,805
English Language Acquisition State Grants	84.365		13,135,743		12,338,867	13,135,743
Mathematics and Science Partnerships	84.366		2,275,347		476,227	2,275,347
Improving Teacher Quality State Grants	84.367		40,834,602		39,003,439	40,884,733
Pass-Through From National Writing Project	84.367			26,858		40,884,733
Grants for State Assessments and Related Activities	84.369		8,844,237			8,844,237
School Improvement Grants	84.377		3,028,679		2,890,911	3,028,679
Strengthening Minority-Serving Institutions	84.382		87,893			87,893
Investing in Innovation (i3) Fund	84.411					
Pass-Through From National Writing Project	84.411			56,446		146,227
Preschool Development Grants	84.419		18,564,792		17,672,088	18,564,792
Supporting Effective Educator Development Program	84.423	Human Resource Research; Pragmatic Solutions, SRI Int	1,315,466		166,756	1,315,466
Student Support and Academic Enrichment Program	84.424		1,241,937		1,186,422	1,241,937
Pass-Through From American Councils for International Education	84.U01	Argentina Educators Training Program-FY17-Argentina Educators Training-AC-1-204283;FY17-AETP-GMU-1		95,806		95,806
Total Excluding Clusters Identified Below			532,253,247	442,603	393,612,942	
Special Education Cluster (IDEA):						
Special Education Grants to States	84.027		278,987,822		246,380,029	279,011,746
Special Education Grants to States	84.027		21,438			279,011,746
Pass-Through From Ohio University	84.027			2,486		279,011,746
Special Education Preschool Grants	84.173		9,606,816		7,122,824	9,636,110
Special Education Preschool Grants	84.173	Lynchburg College Sub 2639290	29,294		29,294	9,636,110
Total Special Education Cluster (IDEA)			288,645,370	2,486	253,532,147	288,647,856
Student Financial Assistance Programs:						
Federal Supplemental Educational Opportunity Grants	84.007		10,208,634			10,208,634
Federal Work-Study Program	84.033		11,974,011			12,179,041
Federal Work-Study Program	84.033		205,030			12,179,041
Federal Perkins Loan - Federal Capital Contributions	84.038		64,811,274			64,811,274
Federal Pell Grant Program	84.063		406,910,622			406,910,622
Federal Direct Student Loans	84.268		1,265,528,000			1,265,528,000
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379		363,450			363,450
Postsecondary Education Scholarships for Veteran's Dependents	84.408		11,023			11,023
Total Student Financial Assistance Programs			1,760,012,044	0	0	1,760,012,044
Trio Cluster:						
TRIO_Student Support Services	84.042		5,545,281		329,524	5,545,281
TRIO_Talent Search	84.044		1,764,773			1,764,773
TRIO_Upward Bound	84.047		4,369,863		360,293	4,369,863
TRIO_Educational Opportunity Centers	84.066		578,945			578,945
Total Trio Cluster			12,258,862	0	689,817	12,258,862
Research and Development:						
Title I Grants to Local Educational Agencies	84.010					
Pass-Through From Accomack County Public Schools	84.010			189,131		259,515,482
Pass-Through From Alexandria City Public Schools	84.010			570,726		259,515,482
Pass-Through From Hampton City Schools	84.010			352,304		259,515,482
Overseas Programs - Doctoral Dissertation Research Abroad	84.022		51,079			51,079

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
National Institute on Disability and Rehabilitation Research	84.133		16,791			81,496
Javits Gifted and Talented Students Education	84.206		1,541,528			1,559,760
Education Research, Development and Dissemination	84.305		9,578,627		2,643,081	10,883,599
Pass-Through From American Institutes for Research	84.305			89,730		10,883,599
Pass-Through From Fordham University	84.305			88,770		10,883,599
Pass-Through From Harvard University	84.305			68,855		10,883,599
Pass-Through From Northwestern University	84.305			18,513		10,883,599
Pass-Through From Rutgers, The State University of New Jersey	84.305			4,769		10,883,599
Pass-Through From Temple University	84.305			22,547		10,883,599
Pass-Through From University of Connecticut	84.305			207,506		10,883,599
Pass-Through From University Of Illinois	84.305			94,148		10,883,599
Pass-Through From University of Maryland College Park	84.305	38670-Z2110001/R305A160280		78,057		10,883,599
Pass-Through From University of North Carolina at Chapel Hill	84.305	20150016		282,438		10,883,599
Pass-Through From University of Texas	84.305			4,442		10,883,599
Research in Special Education	84.324		158,898			472,014
Pass-Through From Duquesne University	84.324	G1500085		201,685		472,014
Pass-Through From University of Florida	84.324	UFDSP00011330/UNIV OF FLORIDA		111,431		472,014
Pass-Through From University of Florida	84.324	UFDSP00010323				472,014
Special Education Educational Technology Media, and Materials for Individuals with Disabilities	84.327		288,267			288,267
Improving Teacher Quality State Grants	84.367		23,273			40,884,733
Teacher Quality Partnerships, Recovery Act	84.405		159,690			159,690
Investing in Innovation (i3) Fund	84.411					
Pass-Through From Albemarle County Public Schools	84.411			89,781		146,227
Pass-Through From Educational Testing Service	84.RD	Development of Mathematical Modules for Optimal Examination Design-ED-13-C0015-204309;ETS01-0000092108		35,124		165,285
Pass-Through From MDRC	84.RD	ED-IES-14-C-0003		130,161		165,285
Total Research and Development			11,818,153	2,640,118	2,643,081	
Total U.S. DEPARTMENT OF EDUCATION			2,604,987,676	3,085,207	650,477,987	
SCHOLARSHIP AND FELLOWSHIP FOUNDATIONS						
Pass-Through From Vietnam Education Foundation	85.801	FS16004M		2,245		2,245
Emergency Preparedness for the Facility Manager Training	85.U01	17-PO-732-0000382733-209703	3,449			11,865
Facility Financial Management Training	85.U02	17-PO-732-0000382733-209712	2,486			11,865
Facility Planning Management & Operations Management Training	85.U03	17-PO-732-000369861-209718	1,930			11,865
Leadership, Management and the Facility Management Organization	85.U04	17-PO-0000382733-209706	4,000			11,865
Total Excluding Clusters Identified Below			11,865	2,245	0	
Research and Development:						
Visiting Scholar Grants	85.803					
Pass-Through From Vietnam Education Foundation	85.803			6,900		6,900
Total Research and Development			0	6,900	0	
Total SCHOLARSHIP AND FELLOWSHIP FOUNDATIONS			11,865	9,145	0	
U.S. NATIONAL ARCHIVES AND RECORDS ADMINISTRATION						
National Historical Publications and Records Grants	89.003		80,087			468,763
Other Assistance	89.U01	ABMC-15-11 (TN)	304			304
Total Excluding Clusters Identified Below			80,391	0	0	
Research and Development:						
National Historical Publications and Records Grants	89.003		388,676			468,763
Total Research and Development			388,676	0	0	
Total U.S. NATIONAL ARCHIVES AND RECORDS ADMINISTRATION			469,067	0	0	
DENALI COMMISSION						
Help America Vote Act Requirements Payments	90.401		3,761,520			3,761,520
Total Excluding Clusters Identified Below			3,761,520	0	0	
Total DENALI COMMISSION			3,761,520	0	0	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Medical Reserve Corps Small Grant Program	93.008					

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From National Association of County & City Health Officials	93.008	MRC17-0256, MRC16-0162, MRC15-0239, 5MRC5G10100504, MRC16-0502, MRC17-0246, MRC17-0316		67,118		67,118
Special Programs for the Aging Title VII, Chapter 3_Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041		109,259		109,259	109,259
Special Programs for the Aging Title VII, Chapter 2_Long Term Care Ombudsman Services for Older Individuals	93.042		393,721		199,841	393,721
Special Programs for the Aging Title III, Part D_Disease Prevention and Health Promotion Services	93.043		488,558		488,558	488,558
Special Programs for the Aging Title IV_and Title II_Discretionary Projects	93.048		630,404		199,832	630,404
Alzheimer's Disease Demonstration Grants to States	93.051		117,205		117,205	198,819
National Family Caregiver Support, Title III, Part E	93.052		3,621,007		3,443,170	3,621,007
Training in General, Pediatric, and Public Health Dentistry	93.059		259,850			259,850
Global AIDS	93.067					
Pass-Through From Republic of Rwanda, Minister of Health	93.067			126,556		126,556
Public Health Emergency Preparedness	93.069		218,169			218,169
Environmental Public Health and Emergency Response	93.070		540,225			540,225
Medicare Enrollment Assistance Program	93.071		606,513		556,609	606,513
Lifespan Respite Care Program	93.072		63,054			63,054
Birth Defects and Developmental Disabilities - Prevention and Surveillance	93.073		107,267			107,267
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074		21,131,191		5,920,210	21,131,191
Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	93.079		99,450			99,450
Blood Disorder Program: Prevention, Surveillance, and Research	93.080					
Pass-Through From Children's Hospital of Philadelphia	93.080	PO#931931-RSUB		30,157		53,801
Research of the Responsible Conduct of Research (RCR) Advancing System Improvements for Key Issues in Women's Health	93.085		49,379		42,644	85,852
Pass-Through From Futures Without Violence	93.088	Grant #ASTWH160050-01-00		6,062		6,062
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092		1,343,395		149,913	1,343,395
Affordable Care Act (ACA) Health Profession Opportunity Grants	93.093					
Pass-Through From Goodwill Industries of the Valleys	93.093			276,841		276,841
Food and Drug Administration Research	93.103		1,753,493			2,230,244
Pass-Through From Association of Food and Drug Officials	93.103	G-T-1612-04574, G-ST-1612-00350, G-T-1611-04077, G-SP-1611-04049, G-MP-1611-04256		49,653		2,230,244
Pass-Through From National Association of County & City Health Officials	93.103	5U50FD005933-02, 2016-122016, 5U50FD005933-02		11,035		2,230,244
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED) Area Health Education Centers Point of Service Maintenance and Enhancement Awards	93.104		1,012,873		949,363	1,012,873
	93.107		803,812		384,818	803,812
Maternal and Child Health Federal Consolidated Programs	93.110		1,167,524		86,800	14,002,602
Pass-Through From Health Research, Incorporated	93.110			9,009		14,002,602
Pass-Through From The Children's Hospital of Philadelphia	93.110			12,677,722		14,002,602
Pass-Through From University of Colorado - Denver	93.110			86,718		14,002,602
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		1,542,949		416,502	1,542,949
Nurse Anesthetist Traineeships	93.124		62,446			62,446
Emergency Medical Services for Children	93.127		87,738			87,738
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130		223,196			223,196
Injury Prevention and Control Research and State and Community Based Programs	93.136		2,562,482		475,134	2,601,825
Community Programs to Improve Minority Health Grant Program	93.137		61,546			61,546
NIEHS Hazardous Waste Worker Health and Safety Training	93.142					
Pass-Through From Duke University	93.142			19,554		19,554
AIDS Education and Training Centers	93.145					
Pass-Through From University of Pittsburgh	93.145	UNIV OF PITTSBURGH #0050178/0056096		261,123	3,811	261,123
Projects for Assistance in Transition from Homelessness (PATH)	93.150		1,370,022		1,348,665	1,370,022
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153		297,181			297,181
Grants to States for Loan Repayment Program	93.165		150,000			150,000
Research Related to Deafness and Communication Disorders	93.173		25,132			2,080,988
Graduate Psychology Education Program and Patient Navigator and Chronic Disease Prevention Program	93.191	Free Clinic of NRV; Tri-Area Health; NRV Comm Svcs	493,956		52,084	493,956

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Telehealth Programs	93.211		354,609			1,057,309
Research and Training in Complementary and Alternative Medicine	93.213					
Pass-Through From Carnegie Mellon University	93.213	R01AT008685		15,481		545,232
Family Planning Services	93.217		3,847,516		143,309	3,847,516
Research on Healthcare Costs, Quality and Outcomes	93.226					
Pass-Through From University of Massachusetts	93.226			4,233		4,040,994
Traumatic Brain Injury State Demonstration Grant Program	93.234		251,717		150,000	251,717
Affordable Care Act (ACA) Abstinence Education Program	93.235		965,970		244,300	965,970
Grants to States to Support Oral Health Workforce Activities	93.236		328,226		177,762	328,226
State Capacity Building	93.240		269,086			269,086
State Rural Hospital Flexibility Program	93.241		241,285		110,530	241,285
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		10,562,650		8,425,637	10,824,587
Pass-Through From County of Fairfax	93.243			4,425		10,824,587
Pass-Through From State of Delaware	93.243			1,305		10,824,587
Advanced Nursing Education Grant Program	93.247		556,570			872,261
Universal Newborn Hearing Screening	93.251		252,729			252,729
Poison Center Support and Enhancement Grant Program	93.253		283,429			283,429
Occupational Safety and Health Program	93.262					
Pass-Through From Central Appalachian Regional Education & Research Center	93.262			12,629		613,534
Pass-Through From University of Kentucky	93.262	5T42OH010278-06		6,996		613,534
Pass-Through From University of New Mexico	93.262	3RZ08		230,336		613,534
Health Systems Strengthening and HIV/AIDS Prevention, Care and Treatment under the President's Emergency Plan for AIDS Relief	93.266		115,440		20,140	115,440
Immunization Cooperative Agreements	93.268		70,670,394		6,340	70,670,394
Adult Viral Hepatitis Prevention and Control	93.270		147,220			147,220
Drug-Free Communities Support Program Grants	93.276	544966-19C35	132,754		1,500	151,419
Pass-Through From Piedmont Community Services	93.276	544966-19C35		18,665		151,419
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283		668,899		214,145	668,899
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		93,014			2,524,251
Pass-Through From Stanford Research Institute International	93.286	PO 3546		32,179		2,524,251
State Partnership Grant Program to Improve Minority Health	93.296		220,346		690	220,346
Small Rural Hospital Improvement Grant Program	93.301		175,535		153,116	175,535
National State Based Tobacco Control Programs	93.305		948,920		87,966	948,920
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314		85,560			85,560
CSELS Partnership: Strengthening Public Health Laboratories Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.322		1,078,971			1,078,971
State Health Insurance Assistance Program	93.323		2,314,661			2,314,661
Paralysis Resource Center	93.324		822,500		566,298	822,500
National Implementation and Dissemination for Chronic Disease Prevention	93.325		72,009			72,009
Pass-Through From National Women Infant and Children Association	93.328	U58DP005845		4,296		4,296
Behavioral Risk Factor Surveillance System	93.336		277,980			277,980
Nurse Education, Practice Quality and Retention Grants	93.359		1,292,889		27,000	1,292,889
Sickle Cell Treatment Demonstration Program	93.365					
Pass-Through From Johns Hopkins University	93.365	HRSA-14-078/HRSA 200363366		77,465		77,465
ACL Independent Living State Grants	93.369		426,281		417,498	426,281
Cancer Centers Support Grants	93.397					
Pass-Through From University of Kentucky Research Foundation	93.397			14,772		2,241,348
NON-ACA/PPHF Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations	93.424					
Pass-Through From Association of State and Territorial Health Officials	93.424	5NU38OT000161-04-00, 5U38OT000161-03, 83-10194		81,832		102,337
Pass-Through From National Association of County & City Health Officials	93.424	6NNU38OT000172-04-02, 6NU38OT000172-05		20,505		102,337
ACL National Institute on Disability, Independent Living, and Rehabilitation Research	93.433		2,584,118		651,073	2,670,649
Pass-Through From Shepherd Center Incorporated	93.433	SHEP-18-0008		8,856		2,670,649
Food Safety and Security Monitoring Project	93.448		479,247			479,247
ACL Assistive Technology	93.464		553,280		237,667	553,280
Pregnancy Assistance Fund Program	93.500		771,714		8,300	771,714
Family to Family Health Information Centers	93.504		42,390			42,390
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements;PPHF	93.521		262,461			262,461

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PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	93.539		4,401,132		139,318	4,401,132
Promoting Safe and Stable Families	93.556		5,880,424		5,578,850	5,880,424
Child Support Enforcement	93.563		63,360,513		137,266	63,360,513
Child Support Enforcement Research	93.564		76,846			76,846
Refugee and Entrant Assistance State Administered Programs	93.566		7,448,113		4,362,814	7,448,113
Low-Income Home Energy Assistance	93.568		83,722,440		15,794,984	83,796,447
Pass-Through From City of Richmond	93.568	CITY OF RICHMOND		74,007		83,796,447
Community Services Block Grant	93.569		10,689,622		10,210,840	10,689,622
Refugee and Entrant Assistance Discretionary Grants	93.576		138,643		118,635	138,643
Refugee and Entrant Assistance Targeted Assistance Grants	93.584		386,732		355,051	386,732
State Court Improvement Program	93.586		779,747			779,747
Community-Based Child Abuse Prevention Grants	93.590		599,095		509,206	599,095
Grants to States for Access and Visitation Programs	93.597		209,213		208,547	209,213
Chafee Education and Training Vouchers Program (ETV)	93.599		390,348		362,757	390,348
Head Start	93.600		158,005		65,669	156,121
Assets for Independence Demonstration Program	93.602					
Pass-Through From Abt Associated Incorporated	93.602	SS00-10-60011		78,976		78,976
Adoption Incentive Payments	93.603		372,667		372,207	372,667
Strong Start for Mothers and Newborns	93.611		171,914		51,576	171,914
Affordable Care Act State Health Insurance Assistance Program (SHIP) and Aging and Disability Resource Center (ADRC) Options Counseling for Medicare-Medicaid Individuals in States with Approved Financial Alignment Models	93.626		130,850		130,850	130,850
Developmental Disabilities Basic Support and Advocacy Grants	93.630		1,342,292			1,342,292
Developmental Disabilities Projects of National Significance	93.631		75,595			75,595
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632		880,424			932,698
Pass-Through From Association of University Centers on Disabilities	93.632	AUCD		52,274		932,698
ACA Support for Demonstration Ombudsman Programs						
Serving Beneficiaries of State Demonstrations to Integrate Care for Medicare-Medicaid	93.634		190,251			190,251
Children's Justice Grants to States	93.643		494,514		141,584	494,514
Stephanie Tubbs Jones Child Welfare Services Program	93.645		6,015,961		5,985,317	6,015,961
Child Welfare Research Training or Demonstration	93.648		2,609		460	2,609
Foster Care Title IV-E	93.658		72,458,295		67,840,025	72,458,295
Adoption Assistance	93.659		57,546,693		55,566,473	57,546,693
Social Services Block Grant	93.667		58,545,744		52,430,946	58,545,744
Child Abuse and Neglect State Grants	93.669		961,960		478,371	961,960
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671		2,241,305		2,088,926	2,241,305
Chafee Foster Care Independence Program	93.674		1,333,181		1,168,162	1,333,181
Trans-NIH Recovery Act Research Support	93.701					
Pass-Through From The Emmes Corporation	93.701			18,329		18,329
Mental and Behavioral Health Education and Training Grants	93.732		186,588			186,588
Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by the Prevention and Public Health Fund (PPHF)	93.733		124,352			124,352
Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs financed by Prevention and Public Health Funds (PPHF)	93.734		417,871		352,422	417,871
State Public Health Approaches for Ensuring Quitline Capacity Funded in part by Prevention and Public Health Funds (PPHF)	93.735		112,850			112,850
State Public Health Actions to Prevent and Control Diabetes, Heart Disease, Obesity and Associated Risk Factors and Promote School Health financed in part by Prevention and Public Health Funding (PPHF)	93.757		3,685,149		1,432,048	3,685,149
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758		3,303,968		450,168	3,303,968
Evidence-Based Falls Prevention Programs Financed Solely by Prevention and Public Health Funds (PPHF)	93.761		87,055		28,000	87,055
Alzheimer's Disease Initiative: Specialized Supportive Services Project (ADI-SSS) thru Prevention and Public Health Funds (PPHF)	93.763		188,312		188,312	487,939
Children's Health Insurance Program	93.767		338,286,124		57,526	338,352,347
Pass-Through From Virginia Health Care Foundation	93.767	CMS-1Z0-16-001		66,223		338,352,347
Medicare Hospital Insurance	93.773		21,935		21,935	21,935
Opioid STR	93.788		10,680,193		10,254,032	10,680,193
Money Follows the Person Rebalancing Demonstration	93.791		14,893,481			14,893,481
Organized Approaches to Increase Colorectal Cancer Screening	93.800		725,465		558,687	725,465
Domestic Ebola Supplement to the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.815		401,973			401,973

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	93.817		960,275		959,642	960,275
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		34,106			28,971,472
Biomedical Research and Research Training	93.859		220,481			25,943,564
Medical Library Assistance	93.879					
Pass-Through From Regional Medical Library	93.879	1600679		1,458		491,707
Grants for Primary Care Training and Enhancement	93.884		673,562			673,562
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898		3,160,070		1,123,324	3,160,070
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	93.912		35,386			36,176
Grants to States for Operation of Offices of Rural Health	93.913		148,909		16,932	148,909
HIV Care Formula Grants	93.917		26,987,849		4,076,492	26,987,849
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		3,925,837			4,064,019
Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	93.924		103,093			103,093
Healthy Start Initiative	93.926		919,496		276,589	919,496
Special Projects of National Significance	93.928		335,756			335,756
HIV Prevention Activities Health Department Based	93.940		11,135,475		4,779,535	11,135,475
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance Assistance Programs for Chronic Disease Prevention and Control	93.944		1,688,287		295,905	1,955,874
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.945		1,228,833		272,466	1,228,833
Block Grants for Community Mental Health Services	93.946		225,022			225,022
Block Grants for Prevention and Treatment of Substance Abuse	93.958		9,926,635		9,210,638	9,926,635
PPHF Geriatric Education Centers	93.959		41,618,140		37,967,941	41,618,140
Preventive Health Services Sexually Transmitted Diseases Control Grants	93.969		941,549		159,776	941,549
Maternal and Child Health Services Block Grant to the States	93.977		1,749,924		19,583	1,749,924
CDC Vital Statistics	93.994		11,704,754		2,783,898	11,704,754
FDA Tobacco Compliance Checks	93.U01	200-2017-92548	120,319			1,427,093
Mammography	93.U02		542,136			1,427,093
NIMH Neuropathology	93.U03	FDA-17MQSA	121,088			1,427,093
Other Assistance	93.U04	HHSN271201700073C	279,139			1,427,093
Other Assistance	93.U05	151PA1508992	10,002			1,427,093
Other Assistance	93.U06	HHSF223201400088C Option Year 2	341,794			1,427,093
Other Assistance	93.U07	HHSF22320161085C	10,115			1,427,093
Pass-Through From Thomas Jefferson Health District	93.U08	MAPP		2,500		1,427,093
Total Excluding Clusters Identified Below			1,016,811,843	14,449,290	325,972,374	
Aging Cluster:						
Special Programs for the Aging Title III, Part B_Grants for Supportive Services and Senior Centers	93.044		11,240,359		10,166,507	11,240,359
Special Programs for the Aging Title III, Part C_Nutrition Services	93.045		11,590,683		11,590,683	11,590,683
Nutrition Services Incentive Program	93.053		2,065,504		2,065,504	2,065,504
Total Aging Cluster			24,896,546	0	23,822,694	24,896,546
CCDF Cluster:						
Child Care and Development Block Grant	93.575		58,727,461		11,551,667	58,897,228
Pass-Through From Child Development Resources Institute	93.575	ITSN-CEN-12		169,767		58,897,228
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		64,261,214		6,617,855	64,261,214
Total CCDF Cluster			122,988,675	169,767	18,169,522	123,158,442
Maternal, Infant,Early Childhood Home Cluster:						
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505		2,305,476		1,801,855	2,305,476
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870		4,286,272		3,302,275	4,612,660
Pass-Through From Iowal Department of Public Health	93.870	UH4MC30710-01		326,388		4,612,660
Total Maternal, Infant,Early Childhood Home Cluster			6,591,748	326,388	5,104,130	6,918,136
Medicaid Cluster:						
State Medicaid Fraud Control Units	93.775		8,719,297			8,719,297
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	93.777		8,798,814			8,798,814
Medical Assistance Program	93.778		5,108,729,076		98,898,431	5,108,730,157
Pass-Through From The Ohio State University	93.778			1,081		5,108,730,157
Total Medicaid Cluster			5,126,247,187	1,081	98,898,431	5,126,248,268
Student Financial Assistance Programs:						
Nurse Faculty Loan Program (NFLP)	93.264		409,484			409,484
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342		9,347,664			9,967,953
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342		620,289			9,967,953

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Nursing Student Loans	93.364		2,252,603			2,252,603
Total Student Financial Assistance Programs			12,630,040	0	0	12,630,040
TANF Cluster:						
Temporary Assistance for Needy Families	93.558		118,392,429		73,566,538	118,392,429
Total TANF Cluster			118,392,429	0	73,566,538	118,392,429
Research and Development:						
Alzheimer's Disease Demonstration Grants to States	93.051		81,614		81,180	198,819
Chronic Diseases: Research, Control, and Prevention	93.068					
Pass-Through From New York University	93.068			7,760		7,760
Family Smoking Prevention and Tobacco Control Act						
Regulatory Research	93.077		5,149,625		1,627,075	5,425,378
Pass-Through From Florida International University	93.077	80006646 01UG		21,160		5,425,378
Pass-Through From Pennsylvania State University	93.077			11,835		5,425,378
Pass-Through From Truth Initiative Foundation	93.077	7013-VCU TRUTH		65		5,425,378
Pass-Through From University of Alabama	93.077	R01DA36027		25,369		5,425,378
Pass-Through From University of Minnesota	93.077			94,390		5,425,378
Pass-Through From University of Mississippi Medical						
Center	93.077			65,111		5,425,378
Pass-Through From University of Nevada Reno	93.077	UNR 18 11		29,036		5,425,378
Pass-Through From University of Texas Monroe Dunaway						
Anderson Cancer Center Science Park	93.077	SUB 00004638/3000991323		28,787		5,425,378
Blood Disorder Program: Prevention, Surveillance, and						
Research	93.080					
Pass-Through From The Children's Hospital of						
Philadelphia	93.080			23,644		53,801
Research of the Responsible Conduct of Research (RCR)	93.085		36,473			85,852
Healthy Marriage Promotion and Responsible Fatherhood						
Grants	93.086		1,189,910		784,080	1,189,910
Food and Drug Administration Research	93.103		284,164			2,230,244
Pass-Through From Arbor Research Collaborative for						
Health	93.103			7,235		2,230,244
Pass-Through From Georgia Institute of Technology	93.103	GIT-RE159-G2/GIT-RG219-G3		124,664		2,230,244
Maternal and Child Health Federal Consolidated Programs	93.110					
Pass-Through From Children's Hospital of Philadelphia	93.110	2707-3209610518 CHOP/3209610517		20,497		14,002,602
Pass-Through From Massachusetts General Hospital	93.110	PO#962077-RSUB		41,132		14,002,602
Environmental Health	93.113		857,048		298,697	1,149,243
Pass-Through From Duke University	93.113	2035265/2036146		38,076		1,149,243
Pass-Through From East Carolina University	93.113	EAST CAROLINA UNIVERSITY		19,766		1,149,243
Pass-Through From New York University	93.113			19,573		1,149,243
Pass-Through From Northwestern University	93.113			13,856		1,149,243
Pass-Through From University of Illinois at Chicago	93.113			2,267		1,149,243
Pass-Through From University of New Mexico	93.113	3RT23		102,841		1,149,243
Pass-Through From University of North Carolina-Chapel						
Hill	93.113			95,816		1,149,243
Oral Diseases and Disorders Research	93.121		2,807,594		232,722	3,042,071
Pass-Through From Augusta University	93.121	30501-1		23,999		3,042,071
Pass-Through From Rutgers The State University of New						
Jersey	93.121	8187		17,462		3,042,071
Pass-Through From University of Buffalo	93.121	R1115738		7,163		3,042,071
Pass-Through From University of Florida	93.121	UFDSP00011067		38,847		3,042,071
Pass-Through From University of Iowa	93.121			41,407		3,042,071
Pass-Through From West Virginia University	93.121	12-842-VCU		105,599		3,042,071
Injury Prevention and Control Research and State and						
Community Based Programs	93.136		32,277		25,305	2,601,825
Pass-Through From Johns Hopkins University	93.136			7,066		2,601,825
NIEHS Superfund Hazardous Substances_Basic Research						
and Education	93.143	1R01ES024245-01	169,657		11,641	169,657
Human Genome Research	93.172		586,281		15,423	586,281
Research Related to Deafness and Communication Disorders	93.173		1,850,783		37,682	2,080,988
Pass-Through From Temple University	93.173	254910-VCU		192,842		2,080,988
Pass-Through From University of Colorado	93.173			12,231		2,080,988
Telehealth Programs	93.211		702,700		9,814	1,057,309
Research and Training in Complementary and Alternative						
Medicine	93.213		336,635		200,576	545,232
Pass-Through From Wake Forest University Health						
Sciences	93.213			42,624		545,232
Pass-Through From Wayne State University	93.213			150,492		545,232
Research on Healthcare Costs, Quality and Outcomes	93.226		3,945,712		938,487	4,040,994
Pass-Through From The University of Tennessee	93.226	R01HS02383 VCU		30,182		4,040,994
Pass-Through From University of Chicago	93.226			1,414		4,040,994
Pass-Through From University of Kentucky Research						
Foundation	93.226	UNIV OF KENTUCKY		18,735		4,040,994
Pass-Through From University of Pittsburgh	93.226			40,718		4,040,994
National Center on Sleep Disorders Research	93.233		343,429			746,654
Pass-Through From Brigham and Women's Hospital,						
Incorporated	93.233			55,495		746,654
Pass-Through From University of Connecticut	93.233			347,730		746,654
Mental Health Research Grants	93.242		9,004,348		967,419	10,375,322

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From Boston University	93.242	4500001440		71,170		10,375,322
Pass-Through From Brown University	93.242			10,270		10,375,322
Pass-Through From Columbia University	93.242			35,979		10,375,322
Pass-Through From Curators of the University of Missouri	93.242			45,382		10,375,322
Pass-Through From Emory University	93.242	R01MH110364		49,326		10,375,322
Pass-Through From Johns Hopkins University	93.242			11,225		10,375,322
Pass-Through From Johns Hopkins University	93.242	2003474632		20,000		10,375,322
Pass-Through From State Of Maryland	93.242			41,676		10,375,322
Pass-Through From The Salk Institute for Biological Studies	93.242			545,296		10,375,322
Pass-Through From University of California Los Angeles	93.242	0070-G-UB871		25,554		10,375,322
Pass-Through From University of North Carolina at Chapel Hill	93.242	UNIV OF NC CHAPEL HILL 5101736		21,812		10,375,322
Pass-Through From University Of Southern California	93.242			313,923		10,375,322
Pass-Through From University of Texas Southwestern Medical Center at Dallas	93.242			179,361		10,375,322
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		250,996		49,923	10,824,587
Pass-Through From Blue Ridge Behavioral Healthcare	93.243			2,393		10,824,587
Pass-Through From Morehouse School of Medicine	93.243			2,818		10,824,587
Advanced Nursing Education Grant Program	93.247		16,354			872,261
Pass-Through From Old Dominion University Research Foundation	93.247			299,337		872,261
Occupational Safety and Health Program	93.262		344,748			613,534
Pass-Through From East Carolina University	93.262			1,026		613,534
Pass-Through From Johns Hopkins University	93.262			4,359		613,534
Pass-Through From The Center for Construction Research	93.262			13,440		613,534
Alcohol Research Programs	93.273		5,589,931		538,742	5,952,589
Pass-Through From Michigan State University	93.273	MICHIGAN STATE UNIV		48,667		5,952,589
Pass-Through From The Research Foundation of State University of New York	93.273	1009189 72372/79064		256,583		5,952,589
Pass-Through From University of Maryland	93.273	1300227A		25,935		5,952,589
Pass-Through From University of Washington	93.273			31,473		5,952,589
Drug Abuse and Addiction Research Programs	93.279		14,944,879		1,010,258	18,344,222
Pass-Through From Arizona State University	93.279	14-462		42,199		18,344,222
Pass-Through From Case Western Reserve University	93.279	RE5511332		240,222		18,344,222
Pass-Through From Catholic Healthcare West Saint Josephs Hospital Arizona	93.279	32661VCU		63,946		18,344,222
Pass-Through From H Lee Moffitt Cancer Center and Research Institute	93.279	11-18127-99-01-G1		16,636		18,344,222
Pass-Through From Johns Hopkins University	93.279	UG1DA013034		19,749		18,344,222
Pass-Through From Medical University of South Carolina	93.279			15,538		18,344,222
Pass-Through From National Center on Addiction and Substance Abuse at Columbia University	93.279	R01DA037496		32,286		18,344,222
Pass-Through From Ohio State University Research Foundation	93.279	OHIO STATE UNIVERSITY 60048471		167,130		18,344,222
Pass-Through From Oregon Social Learning Center	93.279			13,550		18,344,222
Pass-Through From Research Foundation for Mental Hygiene Incorporated	93.279	PO 123729		9,945		18,344,222
Pass-Through From Scripps Research Institute	93.279			15,927		18,344,222
Pass-Through From Scripps Research Institute	93.279	5-52475/5-52849/5-53315/RTI PO NO 5-23893		424,242		18,344,222
Pass-Through From The Jackson Laboratory	93.279	PO# 209366		13,044		18,344,222
Pass-Through From The University of Texas	93.279	17-056/16059		247,748		18,344,222
Pass-Through From University of California San Francisco	93.279	UCSF #9561SC		5,073		18,344,222
Pass-Through From University of Connecticut	93.279	119437		161,445		18,344,222
Pass-Through From University of Kentucky Research Foundation	93.279	UNIV OF KENTUCKY RESEARCH FND		8,089		18,344,222
Pass-Through From University of Michigan	93.279	3004119992		72,325		18,344,222
Pass-Through From University of Minnesota	93.279	A005020802		1,361,766		18,344,222
Pass-Through From University of North Texas Health Science	93.279			98,241		18,344,222
Pass-Through From University of Pittsburgh	93.279			339,870		18,344,222
Pass-Through From University Of Tennessee	93.279			28,928		18,344,222
Pass-Through From Yale University	93.279			1,444		18,344,222
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		2,331,928		335,491	2,524,251
Pass-Through From New York University School of Medicine	93.286			14,664		2,524,251
Pass-Through From Rivanna Medical Limited Liability Company	93.286			52,466		2,524,251
Teenage Pregnancy Prevention Program	93.297					
Pass-Through From University of New Mexico	93.297			33,440		33,440
Minority Health and Health Disparities Research	93.307		2,157,199		782,753	2,323,019
Pass-Through From Starship Health Technologies	93.307	STARSHIP HEALTH TECHNOLOGIES		100,265		2,323,019
Pass-Through From University of North Carolina at Chapel Hill	93.307	5106999		27,466		2,323,019

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From University of North Carolina-Chapel Hill	93.307			11,635		2,323,019
Pass-Through From University of Pittsburgh	93.307			2,340		2,323,019
Pass-Through From Wayne State University	93.307			24,114		2,323,019
Trans-NIH Research Support	93.310		3,015,658		533,908	3,678,128
Trans-NIH Research Support	93.310	417736-19858	20,144		20,144	3,678,128
Pass-Through From Augusta University Research Institute Incorporated	93.310			108,439		3,678,128
Pass-Through From The Translational Genomics Research Institute	93.310			104,647		3,678,128
Pass-Through From University at Buffalo	93.310			429,240		3,678,128
Protecting and Improving Health Globally: Building and Strengthening Public Health Impact, Systems, Capacity and Security	93.318		224,083		89,219	224,083
Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Marketplaces	93.332					
Pass-Through From Association of American Medical Colleges	93.332			85,185		85,185
National Center for Advancing Translational Sciences	93.350		594,481		15,743	597,831
Pass-Through From Dystonia Medical Research Foundation	93.350	DYSTONIA COALITION-DMRF		3,350		597,831
Research Infrastructure Programs	93.351		3,075,139		402,773	3,075,139
Nursing Research	93.361		1,093,825		256,377	1,206,509
Pass-Through From Cubist Pharmaceuticals, Incorporated	93.361			647		1,206,509
Pass-Through From Georgetown University	93.361	412561-GR412519-VCU		25,791		1,206,509
Pass-Through From Mayo Clinic Rochester	93.361			7,672		1,206,509
Pass-Through From University of Alabama	93.361	1R01NR01615		9,247		1,206,509
Pass-Through From University of Maryland	93.361	1300100A		69,327		1,206,509
Cancer Cause and Prevention Research	93.393		10,296,691		1,797,741	11,732,542
Cancer Cause and Prevention Research	93.393	459117-19B88	11,758		11,758	11,732,542
Pass-Through From Beckman Research Institute	93.393			98		11,732,542
Pass-Through From Fred Hutchinson Cancer Research Center	93.393			244,699		11,732,542
Pass-Through From Georgetown University	93.393	GEORGETOWN UNIVERSITY		12,252		11,732,542
Pass-Through From Medical University of South Carolina	93.393	459117-19B88		402,691		11,732,542
Pass-Through From Regents of the University of Minnesota	93.393			171,990		11,732,542
Pass-Through From San Diego State University Research Foundation	93.393			(4,421)		11,732,542
Pass-Through From Temple University	93.393	261854-VCU		121,955		11,732,542
Pass-Through From The University of Texas M.D. Anderson Cancer Center	93.393			139,096		11,732,542
Pass-Through From University of Arizona	93.393			1,418		11,732,542
Pass-Through From University of California at San Francisco	93.393			10,000		11,732,542
Pass-Through From University of North Carolina at Chapel Hill	93.393	5106264		38,315		11,732,542
Pass-Through From University of Pittsburgh	93.393	UNIVERSITY OF PITTSBURGH		66,349		11,732,542
Pass-Through From University of Southern California	93.393			118,554		11,732,542
Pass-Through From University of Utah	93.393			90,218		11,732,542
Pass-Through From Wake Forest University	93.393	WFUHS114410		10,879		11,732,542
Cancer Detection and Diagnosis Research	93.394		2,488,821		350,851	2,798,952
Pass-Through From Columbia University	93.394			25,952		2,798,952
Pass-Through From Duke University	93.394			60,336		2,798,952
Pass-Through From Johns Hopkins University	93.394			54,753		2,798,952
Pass-Through From Luna Innovations Incorporated	93.394			6,860		2,798,952
Pass-Through From Rutgers, The State University of New Jersey	93.394			15,808		2,798,952
Pass-Through From University of California Los Angeles	93.394	1625 G SA393 UCLA		146,422		2,798,952
Cancer Treatment Research	93.395		9,139,699		1,761,211	10,857,419
Pass-Through From Alliance for Clinical Trials in Oncology Foundation	93.395	GY004		140		10,857,419
Pass-Through From BrachyFoam Limited Liability Corporation	93.395			62,510		10,857,419
Pass-Through From Children's Hospital of Philadelphia	93.395	U10CA098543		22,537		10,857,419
Pass-Through From Curators of the University of Missouri	93.395			283,730		10,857,419
Pass-Through From Fred Hutchinson Cancer Research Center	93.395			4,196		10,857,419
Pass-Through From Georgetown University	93.395			21,320		10,857,419
Pass-Through From H Lee Moffitt Cancer Center and Research Institute	93.395	HHSN261200622008C/NCI8972/9706		5,417		10,857,419
Pass-Through From Health Research Incorporated	93.395	55-0669-22		254,483		10,857,419
Pass-Through From John Wayne Cancer Institute	93.395			3,001		10,857,419
Pass-Through From Johns Hopkins University	93.395			202,214		10,857,419
Pass-Through From Memorial Sloan-Kettering Cancer Center	93.395			5,091		10,857,419
Pass-Through From Montefiore Medical Center	93.395			101,200		10,857,419
Pass-Through From National Surgical Adjuvant Breast and Bowel Program	93.395	NSABP-B-51				10,857,419

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Pass-Through From Project, Radiation Therapy Oncology Group, Oncology Gynecologic Oncology Group	93.395	NRG ONCOLOGY NSABP-B-52/NRG-GY004		38,116		10,857,419
Pass-Through From Temple University	93.395	256353-VCU NCI 10021/NCI 9984/NCI 10010/NCI		326,168		10,857,419
Pass-Through From University Health Network	93.395	10104/NCI 9881		10,348		10,857,419
Pass-Through From University of Central Florida	93.395	69016060-01		38,033		10,857,419
Pass-Through From University of Maryland	93.395			61,171		10,857,419
Pass-Through From University of Pittsburgh	93.395			71,451		10,857,419
Pass-Through From Wake Forest University Health Sciences	93.395			192,246		10,857,419
Pass-Through From Washington University	93.395	WU-18-323		14,340		10,857,419
Cancer Biology Research	93.396		7,754,230		803,185	8,184,009
Pass-Through From Georgetown University	93.396			70,251		8,184,009
Pass-Through From Lehigh University	93.396			85,466		8,184,009
Pass-Through From Ohio State University Research Foundation	93.396	60047689		178,920		8,184,009
Pass-Through From University of North Carolina at Chapel Hill	93.396			95,142		8,184,009
Cancer Centers Support Grants	93.397		2,077,221			2,241,348
Pass-Through From Albert Einstein College of Medicine						
BronxCreed	93.397	BUILDING RESEARCH CAPACITY		21,137		2,241,348
Pass-Through From Johns Hopkins University	93.397	2002531818		126,814		2,241,348
Pass-Through From NRG Oncology Foundation, Incorporated	93.397			1,404		2,241,348
Cancer Research Manpower	93.398		1,874,016			1,874,016
Pass-Through From National Surgical Adjuvant Breast and Bowel Program	93.399	NSABP TFED		930		930
ACL National Institute on Disability, Independent Living, and Rehabilitation Research	93.433		63,514			2,670,649
Pass-Through From American Institutes for Research Institute	93.433			14,161		2,670,649
Head Start	93.600					
Pass-Through From University of Washington	93.600			(1,884)		156,121
Social Services Research and Demonstration	93.647		5,924			5,924
Alzheimer's Disease Initiative: Specialized Supportive Services Project (ADI-SSS) thru Prevention and Public Health Funds (PPHF)	93.763		299,627		230,621	487,939
Cardiovascular Diseases Research	93.837		34,535,703		4,252,082	38,306,440
Pass-Through From Barron Associates, Incorporated	93.837			322		38,306,440
Pass-Through From Bloodworks Northwest	93.837			328,314		38,306,440
Pass-Through From Boston University	93.837			810		38,306,440
Pass-Through From Columbia University	93.837			24,985		38,306,440
Pass-Through From Emory University	93.837	BMT-CTN-1503		366		38,306,440
Pass-Through From Houston Methodist Research Institute	93.837	R01HL115003		16,839		38,306,440
Pass-Through From Johns Hopkins University	93.837			335,564		38,306,440
Pass-Through From Key Technologies	93.837	BLL-224-002		47,934		38,306,440
Pass-Through From La Jolla Institute for Allergy and Immunology	93.837			725,233		38,306,440
Pass-Through From Madeleine Pharmaceuticals, Incorporated	93.837			98,212		38,306,440
Pass-Through From Massachusetts General Hospital	93.837	REPRIEVE A5332		7,942		38,306,440
Pass-Through From Mount Sinai School of Medicine	93.837			152,757		38,306,440
Pass-Through From Northeastern University	93.837	500532-78051		132,344		38,306,440
Pass-Through From Ohio State University Research Foundation	93.837	60034668/60028980		17,427		38,306,440
Pass-Through From Soundpipe, Limited Liability Company	93.837			48,388		38,306,440
Pass-Through From State Of Maryland	93.837			191,157		38,306,440
Pass-Through From The Icahn School of Medicine at Mount Sinai	93.837			318,443		38,306,440
Pass-Through From The Regents of the University of California	93.837			16,867		38,306,440
Pass-Through From University of California, San Diego	93.837			180,922		38,306,440
Pass-Through From University of Connecticut	93.837			50,659		38,306,440
Pass-Through From University of Florida	93.837			122,494		38,306,440
Pass-Through From University of Houston System	93.837	R-15-0052/R-17-0024		136,787		38,306,440
Pass-Through From University of Michigan	93.837			50,000		38,306,440
Pass-Through From University of Minnesota	93.837	N005339719		32,218		38,306,440
Pass-Through From University of Mississippi Medical Center	93.837			77,612		38,306,440
Pass-Through From University of Pittsburgh	93.837			59,595		38,306,440
Pass-Through From University of Tennessee Health Science Center	93.837			20,561		38,306,440
Pass-Through From University of Washington	93.837			54,885		38,306,440
Pass-Through From Wake Forest University	93.837			483,933		38,306,440
Pass-Through From Wake Forest University	93.837	WFUHS 110947		17,950		38,306,440
Pass-Through From Washington University in St. Louis	93.837			19,217		38,306,440
Lung Diseases Research	93.838		4,339,228		266,645	5,020,570
Pass-Through From Barron Associates	93.838	BARRON ASSOCIATES		22,547		5,020,570
Pass-Through From Case Western Reserve University	93.838			36,622		5,020,570
Pass-Through From Duke University	93.838	2033236		24,558		5,020,570
Pass-Through From Pennsylvania State University	93.838			25,218		5,020,570
Pass-Through From Pennsylvania State University	93.838	VCUHL109086		999		5,020,570

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Pass-Through From Quench Medical Incorporated	93.838	FP00006951		13,767		5,020,570
Pass-Through From Seattle Childrens Hospital	93.838	11141SUB		23,653		5,020,570
Pass-Through From University of Pennsylvania	93.838			129,961		5,020,570
Pass-Through From University of Pittsburgh	93.838			126,006		5,020,570
Pass-Through From University of Washington	93.838			32,366		5,020,570
		WFUHS 118489/WFUHS				
Pass-Through From Wake Forest University	93.838	Z13101/WFUHS Z15480		150,135		5,020,570
Pass-Through From Wake Forest University Health Sciences	93.838			88,429		5,020,570
Pass-Through From Weill Cornell Medical College	93.838			7,514		5,020,570
Pass-Through From Xemed Limited Liability Company	93.838			(433)		5,020,570
Blood Diseases and Resources Research	93.839		3,309,731		1,992,216	3,592,959
Pass-Through From Bloodworks Northwest	93.839			32,133		3,592,959
Pass-Through From Curators of the University of Missouri	93.839			15,138		3,592,959
Pass-Through From ECOG-ACRIN Cancer Research Group	93.839			155,113		3,592,959
Pass-Through From National Marrow Donor Program	93.839			45		3,592,959
Pass-Through From National Marrow Donor Program	93.839	PROTOCOL CIBMTR-06-DON		35		3,592,959
Pass-Through From Ohio State University	93.839	60061715		17,344		3,592,959
Pass-Through From Ohio State University Research Foundation	93.839	60034668 OHIO STATE/NMMP #0301		6,157		3,592,959
Pass-Through From Rutgers The State University of New Jersey	93.839	SUB 0156 PROJECT ID 814216		6,782		3,592,959
Pass-Through From Washington University	93.839	WASHINGTON UNIVERSITY		39,117		3,592,959
Pass-Through From Washington University in St. Louis	93.839			11,364		3,592,959
Translation and Implementation Science Research for Heart, Lung, Blood Diseases, and Sleep Disorders	93.840		30,818			30,818
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		5,950,238		972,265	6,381,431
Pass-Through From Brigham and Womens Hospital	93.846	RAR067738A		75,074		6,381,431
Pass-Through From Indiana University Purdue University Indianapolis	93.846	IN4687717VCU PO 1503449		96,977		6,381,431
Pass-Through From Johns Hopkins University	93.846			169		6,381,431
Pass-Through From Northwestern University	93.846	NORTHWESTERN UNIV 60045969		29,271		6,381,431
Pass-Through From Ohio State University	93.846			(11,433)		6,381,431
Pass-Through From University of Nevada Reno	93.846			28,004		6,381,431
Pass-Through From University of Pittsburgh	93.846	046874-126426-1		45,578		6,381,431
Pass-Through From University of Rochester	93.846	417166G/UR FAO GR500987/417165-G		167,553		6,381,431
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		24,441,659		5,172,624	28,971,472
Pass-Through From Augusta University	93.847	32307 4		42,227		28,971,472
Pass-Through From Baylor College of Medicine	93.847			7,125		28,971,472
Pass-Through From Beth Israel Deaconness Medical Center	93.847	01028141-2170031100		30,117		28,971,472
Pass-Through From Cedars-Sinai Medical Center	93.847			17,565		28,971,472
Pass-Through From George Washington University	93.847			146,443		28,971,472
Pass-Through From Mathematica Policy Research	93.847	40265S03509 AMENDMENT 1		411,005		28,971,472
Pass-Through From Mayo Clinic Rochester	93.847			63,639		28,971,472
Pass-Through From Medical University of South Carolina	93.847			18,688		28,971,472
Pass-Through From Ohio State University	93.847	60056887		41,136		28,971,472
Pass-Through From Research Institute at Nationwide Children's Hospital	93.847			4,159		28,971,472
Pass-Through From Temple University	93.847	Regulation of Gastrointestinal Neur		1,501		28,971,472
Pass-Through From The Children's Hospital of Philadelphia	93.847			40,365		28,971,472
Pass-Through From University of Hawaii	93.847			45,699		28,971,472
Pass-Through From University of Nebraska Medical Center	93.847			11,135		28,971,472
Pass-Through From University of North Carolina at Chapel Hill	93.847	5104371/5107990-UNC AT CHAPEL HILL		29,546		28,971,472
Pass-Through From University of Pittsburgh	93.847			2,192		28,971,472
Pass-Through From University of South Florida	93.847			2,851,255		28,971,472
Pass-Through From University of South Florida	93.847	06-T48		14,657		28,971,472
Pass-Through From University of Tennessee Health Science Center	93.847			324,455		28,971,472
Pass-Through From University of Texas Southwestern Medical Center at Dallas	93.847	1-170916/161115 STOP ALF PO		168,766		28,971,472
Pass-Through From University of Utah	93.847	837/161116-REGISTRY/GMO160224		18,708		28,971,472
Pass-Through From Wake Forest University	93.847	10035127/10042018		61,675		28,971,472
Pass-Through From Wake Forest University School of Medicine	93.847			16,640		28,971,472
Pass-Through From Wynnvision Limited Liability Corporation	93.847	WYNNVISION LLC		127,009		28,971,472
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		23,802,966		5,130,032	25,273,524
Pass-Through From Albert Einstein College of Medicine	93.853					
BronxCreed	93.853	2R37NS043209-11/R37NS043209		75,826		25,273,524
Pass-Through From Amuza Incorporated	93.853			8,556		25,273,524
Pass-Through From Axion Biosystems Incorporated	93.853	MICROHOOK NERVE TAPE		18,651		25,273,524
Pass-Through From Brown University	93.853			6,108		25,273,524
Pass-Through From Cincinnati Childrens Hospital Medical Center	93.853	137754				25,273,524

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Pass-Through From Cincinnati Children's Hospital Medical Center	93.853			26,419		25,273,524
Pass-Through From Columbia University	93.853			8,213		25,273,524
Pass-Through From Duke University	93.853			479		25,273,524
Pass-Through From Emory University	93.853	Grant number 1R01NS102306-01		40,068		25,273,524
Pass-Through From Georgia State University	93.853			120,101		25,273,524
Pass-Through From Health Quality Innovators	93.853	1P1CMS331587-01-00		23,605		25,273,524
Pass-Through From Johns Hopkins University	93.853			1,503		25,273,524
Pass-Through From Johns Hopkins University	93.853	MISTIE III 2002028183		10,319		25,273,524
Pass-Through From Massachusetts General Hospital	93.853			28,847		25,273,524
Pass-Through From Massachusetts General Hospital	93.853	SURE-PD3		33,241		25,273,524
Pass-Through From Mayo Clinic	93.853			104,960		25,273,524
Pass-Through From Mayo Clinic Jacksonville	93.853			3,352		25,273,524
Pass-Through From MedStar Health Research Institute	93.853			14,155		25,273,524
Pass-Through From National Multiple Sclerosis Society	93.853	RR-1601-07444		98,052		25,273,524
Pass-Through From Northwestern University	93.853			52,685		25,273,524
Pass-Through From Novoron Bioscience Incorporated	93.853			80,096		25,273,524
Pass-Through From Research Foundation of City University of New York	93.853	CM00000592-00		43,479		25,273,524
Pass-Through From The Regents of the University of California	93.853			5,466		25,273,524
Pass-Through From Tufts University	93.853			10,459		25,273,524
Pass-Through From University of California at San Francisco	93.853			60		25,273,524
Pass-Through From University of California San Francisco	93.853	7899SC		145,934		25,273,524
Pass-Through From University of Cincinnati	93.853			2,343		25,273,524
Pass-Through From University of Miami	93.853			(1,370)		25,273,524
Pass-Through From University of Michigan	93.853	3001413378-PNT. SC103888		3,147		25,273,524
Pass-Through From University of Minnesota	93.853			16,159		25,273,524
Pass-Through From University Of Pittsburgh	93.853	I 0030451 (124923)		19,355		25,273,524
Pass-Through From University Of Pittsburgh	93.853			217,259		25,273,524
Pass-Through From University of Wisconsin at Madison	93.853	16-8467		144		25,273,524
Pass-Through From Yeshiva University	93.853	310309		252,152		25,273,524
Allergy, Immunology and Transplantation Research	93.855		21,992,157		1,355,624	25,133,420
Pass-Through From Albert Einstein College of Medicine	93.855					25,133,420
BronxCreed	93.855	YESHIVA UNIVERSITY A5332/REPRIEVE KURITZKES		16,393		25,133,420
Pass-Through From Brigham and Womens Hospital	93.855	PS#115077		2,696		25,133,420
Pass-Through From Brigham and Women's Hospital, Incorporated	93.855			22,901		25,133,420
Pass-Through From Childrens Hospital and Research Center at Oakland	93.855	12.7864 17/18		64,321		25,133,420
Pass-Through From George Washington University	93.855			113,203		25,133,420
Pass-Through From Hektoen Institute for Medical Research	93.855	50616-324-VCU01-WIHS		68,722		25,133,420
Pass-Through From Henry M. Jackson Foundation for the Advancement of Military Medicine	93.855			33,952		25,133,420
Pass-Through From Indiana University	93.855			58,479		25,133,420
Pass-Through From Indoor Biotechnologies, Incorporated	93.855			36,708		25,133,420
Pass-Through From Infectious Disease Research Institute	93.855			2,020		25,133,420
Pass-Through From Institute of Clinical Research	93.855	M11-RI-018-0704-1		22,434		25,133,420
Pass-Through From Integrated Biotherapeutics, Incorporated	93.855			94,131		25,133,420
Pass-Through From Johns Hopkins University	93.855			96,510		25,133,420
Pass-Through From Loyola University Chicago	93.855			34,039		25,133,420
Pass-Through From Mayo Clinic	93.855			63,684		25,133,420
Pass-Through From National Jewish Health	93.855			104,409		25,133,420
Pass-Through From Northwestern University	93.855			321,139		25,133,420
Pass-Through From Texas Biomedical Research Institute	93.855			4,021		25,133,420
Pass-Through From The Broad Institute Incorporated	93.855			1,615		25,133,420
Pass-Through From The Regents of the University of California	93.855			55,131		25,133,420
Pass-Through From The Research Foundation of State University of New York	93.855			191,788		25,133,420
Pass-Through From University of Alabama	93.855	000507881-001		43,327		25,133,420
Pass-Through From University of Maryland	93.855			819,875		25,133,420
Pass-Through From University of Maryland	93.855	UNIV OF MD-1528 SR00005145		9,985		25,133,420
Pass-Through From University of North Carolina at Chapel Hill	93.855	5104387		40,048		25,133,420
Pass-Through From University of North Texas Health Science Center Fort Worth	93.855			8,394		25,133,420
Pass-Through From University of Washington	93.855			37,664		25,133,420
Pass-Through From University of Wisconsin	93.855			14,361		25,133,420
Pass-Through From Wake Forest University	93.855			112,696		25,133,420
Pass-Through From Wake Forest University Health Sciences	93.855			163,771		25,133,420

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Pass-Through From Washington University in St. Louis	93.855			482,846		25,133,420
Microbiology and Infectious Diseases Research	93.856		532,193			595,749
Pass-Through From University of Notre Dame	93.856			63,556		595,749
Biomedical Research and Research Training	93.859		23,553,709		977,547	25,943,564
Biomedical Research and Research Training	93.859	1R15GM116180-01	15,481		15,481	25,943,564
Biomedical Research and Research Training	93.859	1R01GM113233-01	173,536		173,536	25,943,564
Pass-Through From Carnegie-Mellon University	93.859			83,510		25,943,564
Pass-Through From Colorado State University	93.859			123,633		25,943,564
Pass-Through From East Carolina University	93.859			16,067		25,943,564
Pass-Through From Enzerna Biosciences Incorporated	93.859			85,186		25,943,564
Pass-Through From Luna Innovations, Incorporated	93.859			136,048		25,943,564
Pass-Through From Regents of the University of Colorado	93.859			(2,627)		25,943,564
Pass-Through From The Ohio State University	93.859			256,072		25,943,564
Pass-Through From University of Chicago	93.859			243,483		25,943,564
Pass-Through From University of Florida	93.859	UFDSP00011124		30,041		25,943,564
Pass-Through From University of Kentucky	93.859			148,096		25,943,564
Pass-Through From University of Massachusetts Boston	93.859	WA00537621-UNIV OF MASS		54,371		25,943,564
Pass-Through From University of Michigan	93.859			189,248		25,943,564
Pass-Through From University of Texas Southwestern						
Medical Center at Dallas	93.859			101,121		25,943,564
Pass-Through From University of Utah	93.859			516,108		25,943,564
Child Health and Human Development Extramural Research	93.865		11,030,264		2,052,189	12,478,629
Pass-Through From Barron Associates, Incorporated	93.865			199,140		12,478,629
Pass-Through From Boston University	93.865			154,396		12,478,629
Pass-Through From Cedars-Sinai Medical Center	93.865			113,764		12,478,629
Pass-Through From Duke University	93.865	DUKE UNIVERSITY		127,881		12,478,629
Pass-Through From Duke University	93.865			4,022		12,478,629
Pass-Through From Indiana University	93.865			235,988		12,478,629
Pass-Through From Johns Hopkins University	93.865			98,941		12,478,629
Pass-Through From Medical University of South Carolina	93.865	MUSC17-077-88465		23,400		12,478,629
Pass-Through From Michigan State University	93.865			3,178		12,478,629
Pass-Through From Northwestern University	93.865			33,450		12,478,629
Pass-Through From Ohio State University	93.865	198292		9,518		12,478,629
Pass-Through From Pennsylvania State University	93.865	VCUHD083323/VCUHD089922		195,765		12,478,629
Pass-Through From University of California, Los Angeles	93.865			42,496		12,478,629
Pass-Through From University of Maryland	93.865			13,016		12,478,629
Pass-Through From University of Pittsburgh	93.865			4,684		12,478,629
Pass-Through From University of Texas at Dallas	93.865			66,607		12,478,629
Pass-Through From University of Utah	93.865	U00127991		4,010		12,478,629
Pass-Through From University of Washington	93.865			20,110		12,478,629
Pass-Through From Yale University	93.865			97,999		12,478,629
Aging Research	93.866		5,315,169		185,619	5,966,356
Pass-Through From Kent State University	93.866			20,264		5,966,356
Pass-Through From MS Technologies Corp	93.866			17,239		5,966,356
Pass-Through From Northern California Institute for						
Research and Education	93.866			189,765		5,966,356
Pass-Through From Northwestern University	93.866			7,475		5,966,356
Pass-Through From Psychology Software Tools						
Incorporated	93.866			3,757		5,966,356
Pass-Through From Syracuse University	93.866	29218-04806-S02		54,961		5,966,356
Pass-Through From Texas A&M University	93.866			33,796		5,966,356
Pass-Through From University of California San Diego	93.866	64889135/68211593		98,368		5,966,356
Pass-Through From University of California, San						
Francisco	93.866			5,265		5,966,356
Pass-Through From University of Oklahoma	93.866	RS20140892-04		4,843		5,966,356
Pass-Through From University of Pennsylvania	93.866			72,632		5,966,356
Pass-Through From University of Pennsylvania	93.866	571963		4,045		5,966,356
Pass-Through From University of South Carolina	93.866	16-2928 PO#2000008394		35,956		5,966,356
Pass-Through From University of Wisconsin	93.866			99,159		5,966,356
Pass-Through From Wake Forest University Health						
Sciences	93.866			3,662		5,966,356
Vision Research	93.867		3,241,878		175,976	3,520,304
Pass-Through From Harvey Mudd College	93.867	1415-2073-01		15,417		3,520,304
Pass-Through From Jaeb Center for Health Research	93.867	V-3 11		22,923		3,520,304
Pass-Through From Northwestern University	93.867			70,288		3,520,304
Pass-Through From The University of Alabama at						
Birmingham	93.867			169,798		3,520,304
Medical Library Assistance	93.879		457,309			491,707
Pass-Through From University of Maryland	93.879			32,940		491,707
Rural Health Care Services Outreach, Rural Health Network						
Development and Small Health Care Provider Quality						
Improvement Program	93.912					
Pass-Through From Virginia Rural Health Association	93.912			790		36,176
Grants to Provide Outpatient Early Intervention Services with						
Respect to HIV Disease	93.918		138,182			4,064,019
Human Immunodeficiency Virus (HIV)/Acquired						
Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944		267,587			1,955,874
International Research and Research Training	93.989		469,343			469,343

COMMONWEALTH OF VIRGINIA
Schedule of Expenditures of Federal Awards
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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Centers for Medicare and Medicaid Services	93.RD		265			4,654,944
Interagency Personnel Act Agreement for Lisa Chin	93.RD	3078487-204095	44,022			4,654,944
Interagency Personnel Act Agreement for Randall Keyser	93.RD	203414	12,119			4,654,944
Interagency Personnel Act for Liansheng Tang	93.RD	3569547-203950 204441	65,857			4,654,944
Interagency Personnel Act for Randall Keyser	93.RD	204378	34,461			4,654,944
John Collins Interagency Personnel Agreement	93.RD	3700573-203359 204391	36,349			4,654,944
Other Assistance	93.RD	200-2014-59646;200-2014-59646	196,635		5,803	4,654,944
Other Assistance	93.RD	200-2014-59669;200-2014-59669	299,633		21,250	4,654,944
Other Assistance	93.RD	200-2015-63456	53,335			4,654,944
Other Assistance	93.RD	200-2016-91592	286,451			4,654,944
Other Assistance	93.RD	200-2017-96194	125,022			4,654,944
Other Assistance	93.RD	CDC 200-2016-91945	191,020		59,017	4,654,944
Other Assistance	93.RD	HHSF223201610253P	86,192			4,654,944
Other Assistance	93.RD	HHSN27200002	1,021			4,654,944
Research Support for Food and Drug Administration's Youth Tobacco Campaigns	93.RD	IP#1252946-204438 203936	67,480			4,654,944
Foundation	93.RD	A021501		628		4,654,944
Foundation	93.RD	A021502		1,429		4,654,944
Foundation	93.RD	A051301		5,374		4,654,944
Liability Company.	93.RD	AFT-16		7,689		4,654,944
Pass-Through From Barron Associates, Incorporated	93.RD	518-SC01		44,274		4,654,944
Pass-Through From Barron Associates, Incorporated	93.RD	514-SC01		(2,186)		4,654,944
Incorporated	93.RD	A011202		17,756		4,654,944
Incorporated	93.RD	VA009		2,114		4,654,944
Incorporated	93.RD	A071401		(3,035)		4,654,944
Incorporated	93.RD	NRG A041202		510		4,654,944
Incorporated	93.RD	A031201		5,785		4,654,944
Incorporated	93.RD	16463		987		4,654,944
Incorporated	93.RD	A071102		3,526		4,654,944
Pass-Through From Duke Clinical Research Institute	93.RD	HHSO100201300009C		14,876		4,654,944
Pass-Through From Duke University	93.RD	201316		6		4,654,944
Pass-Through From Duke University	93.RD	CABANA		5,390		4,654,944
Pass-Through From Duke University	93.RD	R18FD005292		10,827		4,654,944
Group	93.RD	S1400		4,500		4,654,944
Group	93.RD	MASTER AGREEMENT		4,215		4,654,944
Group	93.RD	ECOG-ACRIN Cancer Research Gro		2,047		4,654,944
Group	93.RD	ECOG-ACRIN		5,271		4,654,944
Group	93.RD	PROTOCOL EA4151		28		4,654,944
Group	93.RD	EA5162		249		4,654,944
Limited Liability Company	93.RD	HHSN2750008-1078-NCIG7-UVA		21,903		4,654,944
Research Foundation, Incorporated	93.RD	PSAUVAGW00		4,278		4,654,944
Company	93.RD	HHSN261201500023C;SBIR Project		353,924		4,654,944
Company	93.RD	Validation of the HemoShear Tumor Microenvironment System (TMeS) for drug discovery and development- Contract Number: HHSN26120150023C-204101;HSTX 0001 Offender Re-Entry and Age of First Violent Conviction Risk-Need-Responsivity Program- HHS2832012000021/HHSS28342005T-		7,572		4,654,944
Pass-Through From JBS International, Incorporated	93.RD	204129-204421;E2044211-868680		88,045	6,800	4,654,944
Pass-Through From Johns Hopkins University	93.RD	ETCTN 9950		345		4,654,944
Pass-Through From Johns Hopkins University	93.RD	ETCTN10139		413		4,654,944
Pass-Through From Johns Hopkins University	93.RD	ETCTN #10010		429		4,654,944
Pass-Through From Johns Hopkins University	93.RD	9944 Phase 2		763		4,654,944
Pass-Through From Johns Hopkins University	93.RD	ETCTN 10026		3,916		4,654,944
Pass-Through From Massachusetts General Hospital	93.RD	NN103		104		4,654,944
Pass-Through From Massachusetts General Hospital	93.RD	NN104		34		4,654,944
Pass-Through From Massachusetts General Hospital	93.RD	NN102		57,963		4,654,944
Pass-Through From Mitre Corporation	93.RD	9-116579		56,803		4,654,944
Pass-Through From New England Research Institutes	93.RD	U01HL107407		(2,327)		4,654,944
Pass-Through From North Carolina State University	93.RD	2017-1498-01		37,786		4,654,944

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Schedule of Expenditures of Federal Awards
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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From Northwestern University	93.RD	SP0017209 60035388 UV-OQ-05		5,344		4,654,944
Pass-Through From Northwestern University	93.RD	SP0017209 60032621 UV-05		169,631		4,654,944
Incorporated Pass-Through From NRG Oncology Foundation,	93.RD	GOG-286B		314		4,654,944
Incorporated Pass-Through From NRG Oncology Foundation,	93.RD	NRG-GY004		237		4,654,944
Incorporated Pass-Through From NRG Oncology Foundation,	93.RD	NRG-GY009		274		4,654,944
Incorporated Pass-Through From PPD Development, LP	93.RD	MASTER RIVERSIDE		2,250		4,654,944
Pass-Through From PPD Development, LP	93.RD	HHSN261200001		657		4,654,944
Pass-Through From Social and Scientific Systems,	93.RD	NCTN HPSI		37,946		4,654,944
Incorporated Pass-Through From The Children's Hospital of Philadelphia	93.RD	No.CRB-SSS-S-15-04661		9,530		4,654,944
Pass-Through From The Children's Hospital of Philadelphia	93.RD	N02-CM-62212		5,881		4,654,944
Pass-Through From The Children's Hospital of Philadelphia	93.RD	U10CA180886		27,563		4,654,944
Pass-Through From The Children's Hospital of Philadelphia	93.RD	1UG1CA189955		9,747		4,654,944
Pass-Through From The EMMES Corporation	93.RD	EMMES SUB AGMT TEEN 3		167,822		4,654,944
Pass-Through From The EMMES Corporation	93.RD	EMMES SUBCONTRACT AGMT SUBCONTRCT UNIFORM		386		4,654,944
Pass-Through From The EMMES Corporation	93.RD	NATURALISTI		6,784		4,654,944
Pass-Through From The Icahn School of Medicine at Mount Sinai	93.RD	CTSN Tricuspid Trial Tobacco Regulatory Science Fellowship-204335;200008588		37,137		4,654,944
Pass-Through From The National Academies of Sciences	93.RD			102,591		4,654,944
Pass-Through From The University of Texas M.D. Anderson Cancer Center	93.RD	PO# 3000926710		1,559		4,654,944
Pass-Through From University of Chicago	93.RD	FP043521-02-A		1,453,383		4,654,944
Pass-Through From University of Cincinnati	93.RD	009620-014/PO#L18-4500104089		37,840		4,654,944
Pass-Through From University of Kentucky	93.RD	PO 4500059657		(2)		4,654,944
Pass-Through From University of North Carolina-Chapel Hill	93.RD	5110291		30,272		4,654,944
Pass-Through From University of Rochester	93.RD	416476-G		29,557		4,654,944
Pass-Through From University of Rochester	93.RD	416477-G		23,780	15,242	4,654,944
Pass-Through From University of South Florida	93.RD	Site #3309		5,290		4,654,944
Pass-Through From Urban Institute	93.RD	09412-000-00-VPI-01		86,747		4,654,944
Pass-Through From UT Southwestern Medical Center at Dallas	93.RD	GMO170502		138,351		4,654,944
Total Research and Development			260,146,129	34,422,185	37,144,916	
Total U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			6,688,704,597	49,368,711	582,678,605	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE						
State Commissions	94.003		359,279			359,279
AmeriCorps	94.006		3,262,698		2,702,847	3,262,698
Training and Technical Assistance	94.009		31,554		28,543	31,554
Volunteer Generation Fund	94.021		89,886		89,886	89,886
Social Innovation Fund Pay for Success	94.024					
Pass-Through From University of Utah	94.024	University of Utah		60,092		60,092
National Service and Civic Engagement Research Competition	94.026		78,193			194,721
Total Excluding Clusters Identified Below			3,821,610	60,092	2,821,276	
Research and Development:						
National Service and Civic Engagement Research Competition	94.026		116,528			194,721
Other Assistance	94.RD	DCKA-2015-C-0029	2,955			2,955
Total Research and Development			119,483	0	0	
Total CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			3,941,093	60,092	2,821,276	
EXECUTIVE OFFICE OF THE PRESIDENT						
High Intensity Drug Trafficking Areas Program	95.001		1,437,236			1,647,603
Pass-Through From MercyHurst University	95.001	HIDTA 110512		210,367		1,647,603
Total Excluding Clusters Identified Below			1,437,236	210,367	0	
Total EXECUTIVE OFFICE OF THE PRESIDENT			1,437,236	210,367	0	
SOCIAL SECURITY ADMINISTRATION						
Disability Insurance/SSI Cluster:						
Social Security Disability Insurance	96.001		46,449,835			46,449,835
Total Disability Insurance/SSI Cluster			46,449,835	0	0	46,449,835

Research and Development:

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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Social Security Research and Demonstration	96.007					
Pass-Through From Mathematica Policy Research	96.007	40112S03048		2,762		2,762
Total Research and Development			0	2,762	0	
Total SOCIAL SECURITY ADMINISTRATION			46,449,835	2,762	0	
DEPARTMENT OF HOMELAND SECURITY						
Boating Safety Financial Assistance	97.012		1,714,831			1,714,831
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023		216,453			216,453
Flood Mitigation Assistance	97.029		3,072,063		2,563,942	3,072,063
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		31,225,353		19,680,798	31,225,353
Hazard Mitigation Grant	97.039		5,147,932		4,229,290	5,149,164
National Dam Safety Program	97.041		196,743			196,743
Emergency Management Performance Grants	97.042		11,940,840		2,898,451	11,940,840
State Fire Training Systems Grants	97.043		23,433			23,433
Assistance to Firefighters Grant	97.044		393,920			393,920
Cooperating Technical Partners	97.045		93,426			131,292
Pre-Disaster Mitigation	97.047		1,089,393		732,735	1,089,393
Port Security Grant Program	97.056		126,654			126,654
Homeland Security Grant Program	97.067		9,309,004		5,744,397	12,266,700
Pass-Through From District of Columbia	97.067	17UASI579-01, 16UASI581-0, 16UASI582-01		284,926		12,266,700
Pass-Through From Office of the Deputy Mayor for Public Safety	97.067	UASI791		2,672,770		12,266,700
Other Assistance	97.133		3,957			3,957
Transportation Security Administration-Mid-Level Leadership Development Program	97.U01	70RSAT18C00000016	7,644			86,533
Total Excluding Clusters Identified Below	97.U02	5-30172070TD012/013/014/015-209717	78,889			86,533
			64,640,535	2,957,696	35,849,613	
Research and Development:						
Hazard Mitigation Grant	97.039		1,232			5,149,164
Cooperating Technical Partners	97.045		37,866			131,292
Centers for Homeland Security	97.061		1,019,189		319,018	1,409,252
Pass-Through From State Of Maryland	97.061			194,560		1,409,252
Pass-Through From University of Houston	97.061			195,503		1,409,252
Higher Education Initiative	97.RD	HSHQDC-12-C-00109-203536	1,825			535,441
Interagency Personnel Act Agreement for Michael Hieb	97.RD	204489	20,011			535,441
Other Assistance	97.RD	HSHQDC-17-C-B0010	321,535			535,441
Tools for Automated Detection and Assessment of Security Vulnerabilities in Mobile Applications	97.RD	HSHQDC-14-C-B0040-203368;UC78319	164,358		141,194	535,441
Pass-Through From Sensor Concepts and Applications Incorporated	97.RD	PO NUMBER 1515		6,350		535,441
Pass-Through From Signature Science, Limited Liability Company	97.RD	IS1018-001		21,362		535,441
Total Research and Development			1,566,016	417,775	460,212	
Total DEPARTMENT OF HOMELAND SECURITY			66,206,551	3,375,471	36,309,825	
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT						
USAID Foreign Assistance for Programs Overseas	98.001					
Pass-Through From Institute of International Education	98.001			13,767		7,523,056
Pass-Through From University of California, Davis	98.001			5,727		7,523,056
Pass-Through From World Learning	98.001			108,903		7,523,056
USAID Development Partnerships for University Cooperation and Development	98.012					
Pass-Through From University of California - Santa Barbara	98.012	Grant 2002809UCSB/AID-OAA-A-16-0028		4,990		170,422
Total Excluding Clusters Identified Below			0	133,387	0	
Research and Development:						
USAID Foreign Assistance for Programs Overseas	98.001		3,582,892			7,523,056
USAID Foreign Assistance for Programs Overseas	98.001	AID-OAA-A-12-00096	1,978,751		1,978,751	7,523,056
USAID Foreign Assistance for Programs Overseas	98.001		1,748,575		1,748,575	7,523,056
Pass-Through From Johns Hopkins University	98.001			23,566		7,523,056
Pass-Through From Kansas State University	98.001			24,618		7,523,056
Pass-Through From National Academy of Sciences	98.001			138		7,523,056
Pass-Through From RTI International	98.001			3,241		7,523,056
Pass-Through From University of Notre Dame	98.001	202809CWM		32,878		7,523,056
Pass-Through From Tibetan Buddhist Resource Center	98.011			353,943		353,943
USAID Development Partnerships for University Cooperation and Development	98.012					170,422
Pass-Through From Michigan State University	98.012			136,026		170,422
Pass-Through From North Carolina State University	98.012	417485-19014 / 417486-19B40		29,406	29,390	170,422
Other Assistance	98.RD	41060000-8000021024;415851-19823				3,201,055
Other Assistance	98.RD	685-A-00-10-00194-00	3,043,834		168,138	3,201,055
Pass-Through From International Republican Institute	98.RD	Syria Social Network Analysis-204064;01087365		30,400		3,201,055

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Schedule of Expenditures of Federal Awards
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Federal Agency, Federal Program Name, Cluster Name, or Name of Pass -Through Entity	CFDA Number	Additional Award Information or Identifying Number Assigned by the Pass-Through Entity	Direct Award Expenditures	Pass Through Entity Award Expenditures	Amount Provided to Subrecipients	Program Total or Cluster Total
Pass-Through From Purdue University Total Research and Development	98.RD	41060000-8000021024;415851-19823		126,821	44,990	3,201,055
			10,354,052	761,037	3,969,844	
Total UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT			10,354,052	894,424	3,969,844	
OTHER FEDERAL ASSISTANCE						
Big Data Solutions Certificate	99.U01	2013-13070900005 MOD 019-209719	11,938			165,535
Certificate In Big Data Engineering	99.U02	2013-13070900005 MOD023-209715	38,383			165,535
Certificate in Systems Engineering	99.U03	2013-13070900005-MOD023-209714	23,684			165,535
Managing Your Business Enterprise (MYBE) Training	99.U04	2018-17110100001-209701	3			165,535
Skills for Offender Assessment and Responsivity in New Goals (SOARING2) Training	99.U05	Task 4-USCA16C2083-MOD0002-209710	5,154			165,535
Skills for Offender Assessment and Responsivity in New Goals (SOARING2) Training	99.U06	USCA16C2083-209721	554			165,535
Systems Engineering Certificate	99.U07	2013-13070900005 MOD019-209720	4,288			165,535
Trade in Value Added Database Project	99.U08	ITC-CN-16-0006-204024 Darkblade Mentor Protégé Program-HM0476-15-C-0044-203906;ORDER	81,050			165,535
Pass-Through From Booz Allen Hamilton Total Excluding Clusters Identified Below	99.U09	NO. D266179		481		165,535
			165,054	481	0	
Research and Development:						
Co-Arg: Cogent Argumentation System	99.RD		4,392			1,683,284
Cogent Argumentation System with Crowd Elicitation	99.RD	2017-16112300009-204077;002040722	1,242,843		98,176	1,683,284
Federal Deposit Insurance Corporation (FDIC) Summer 2018						
Research Support	99.RD	204512	5,544			1,683,284
Federal Deposit Insurance Corporation and Intergovernment						
Personnel Act	99.RD	204200 204306	88,718			1,683,284
U.S. Securities and Exchange Commission (SEC) Visit	99.RD	204240	237,288			1,683,284
Pass-Through From Resource Systems Group, Incorporated	99.RD	Visitor Use and Transportation Survey-GSA: GS-10F-0059V/TO: P17PD03552, Amend-204350;00130006		40,483		1,683,284
Pass-Through From Rutgers University Total Research and Development	99.RD	Cyber Security Risk Management for Connected Railroads-DTFR5317C00018-204358;00130006		64,016		1,683,284
			1,578,785	104,499	98,176	
Total OTHER FEDERAL ASSISTANCE			1,743,839	104,980	98,176	
Grand Total			13,376,925,038	142,975,585	2,213,348,829	
Total Research and Development Cluster for All Federal Agencies			551,584,677	104,413,073	93,946,484	655,997,750
Total for Student Financial Assistance Program Cluster			1,772,642,084	0	0	1,772,642,084

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

COMMONWEALTH OF VIRGINIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

1. PURPOSE OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) issued by the Office of Management and Budget (OMB), requires a schedule of expenditures of federal awards showing total federal expenditures for each federal financial assistance program as identified in the Catalog of Federal Domestic Assistance (CFDA). The accompanying schedule includes all expenditures of federal awards of the Commonwealth of Virginia's departments, institutions, authorities, and component units except for the entities that were not audited by the Auditor of Public Accounts. Other auditors issued reports for the following organizations within the Commonwealth: Virginia Port Authority, including the Virginia International Terminals; Institute for Advanced Learning and Research; Virginia Housing Development Authority; Virginia Outdoors Foundation; Virginia Resources Authority; Fort Monroe Authority; Science Museum of Virginia Foundation; and the Commission on Virginia Alcohol Safety Action Program.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The information in the accompanying "Schedule of Expenditures of Federal Awards" is presented in accordance with the Uniform Guidance. The schedule presents a summary of direct award expenditures, pass-through entity award expenditures, and amounts provided to subrecipients by federal department and CFDA Number.

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

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

Pass-Through Entity Federal Assistance – Assistance received in a pass-through relationship from entities other than the Federal government or other State entities is classified as pass-through entity award expenditures on the “Schedule of Expenditures of Federal Awards.”

Amounts Provided to Subrecipients Assistance – Assistance disbursed by the Commonwealth of Virginia to non-state subrecipients is classified as amount provided to subrecipients on the “Schedule of Expenditures of Federal Awards.”

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

Catalog of Federal Domestic Assistance Number – The Catalog of Federal Domestic Assistance (CFDA) is a government-wide compendium of individual federal programs. Each program included in the catalog is assigned a five-digit program identification number (CFDA Number) and program name. The accompanying schedule and footnotes reflect the program names and CFDA numbers assigned by the <https://beta.sam.gov> website. Programs without a CFDA number are labelled as Other Assistance and presented using the federal agency’s two-digit prefix followed by U and a two-digit number. If the federal program is part of the Research and Development Cluster (R&D) and the specific program is not known, the federal agency’s two-digit prefix followed by RD is presented.

Cluster of Programs – Closely related programs that share common compliance requirements are grouped into clusters of programs. A cluster of programs is considered as one federal program for determining major programs. The following are the clusters administered by the Commonwealth:

Aging	Highway Planning and Construction
CCDF	Highway Safety
CDBG-Disaster Recovery Grants	Maternal, Infant, and Early Childhood
CDBG-Entitlement Grants	Home Visiting
Child Nutrition	Medicaid
Clean Water State Revolving Fund	Research and Development
Disability Insurance/SSI	SNAP
Drinking Water State Revolving	Special Education (IDEA)
Economic Development	Student Financial Assistance Programs
Employment Service	TANF
Federal Transit	Transit Services Programs
Fish and Wildlife	TRIO
Food Distribution	WIOA
Forest Service School and Roads	

Student Financial Assistance and Research and Development clusters expend funds from several Federal departments. The amounts expended for these clusters are reported under the appropriate federal department in the accompanying schedule and are also summarized as follows.

The total amount expended for Student Financial Assistance was \$1,772,642,084 consisting of the following federal departments:

<u>Federal Department</u>	<u>Amount Expended</u>
Department of Education	\$1,760,012,044
Department of Health and Human Services	<u>12,630,040</u>
Total	<u>\$1,772,642,084</u>

The total direct amount expended for Research and Development was \$551,584,677 consisting of the following federal departments:

<u>Federal Department</u>	<u>Amount Expended</u>
Department of Health and Human Services	\$ 260,146,129
National Science Foundation	94,964,967
Department of Defense	74,864,354
Department of Agriculture	24,358,171
Department of Energy	22,355,715
Department of Transportation	12,685,170
National Aeronautics and Space Administration	12,193,134
Department of Education	11,818,153
U.S. Agency for International Development	10,354,052
Department of Commerce	8,091,801
Department of the Interior	5,732,836
Department of Justice	4,517,897
National Endowment for the Humanities	2,023,673
Environmental Protection Agency	1,659,413
Other Federal Assistance	1,578,785
Department of Homeland Security	1,566,016
Department of State	1,469,763
Nuclear Regulatory Commission	468,515
U.S. National Archives and Records Administration	388,676
Department of Veterans Affairs	187,486
Corporation for National and Community Service	119,483
U.S. Department of Housing and Urban Development	40,488
Total	<u>\$ 551,584,677</u>

B. Basis of Accounting

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

C. Non-Cash Assistance

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

Food Distribution Programs (CFDA Numbers 10.550, 10.555, 10.558, 10.559, 10.565, 10.569) The value of food commodities was calculated using the U.S. Department of Agriculture’s Food and Nutrition Service commodity price lists. The accompanying schedule includes commodity distributions of:

<u>CFDA #</u>	<u>Amount</u>
10.555	\$33,136,126
10.558	\$ 2,397
10.559	\$ 130,978
10.565	\$ 1,583,243
10.569	\$10,547,988

The accompanying schedule does not include Commonwealth-stored undistributed food commodities of:

<u>CFDA#</u>	<u>Amount</u>
10.550	\$ 1,160
10.555	\$30,222
10.569	\$30,880

Donation of Federal Surplus Personal Property (CFDA Number 39.003) – Donated federal surplus property is valued at 23.3 percent of the original acquisition cost as assigned by the federal government. The amount included in the accompanying schedule reflects distribution to other governmental entities during the year ended June 30, 2018. Administrative expenditures of \$423,141 are not included in the accompanying schedule. The value of surplus property on hand at June 30, 2018 totaled \$1,086,274.

Childhood Immunization Grants (CFDA Number 93.268) – The U.S. Department of Health and Human Services purchases and distributes immunizations through McKesson, the federal national distribution vendor, directly to our local health departments, private physicians and other providers. The amount presented in the accompanying schedule reflects the cost of immunizations to the federal government of \$69,162,441. The remaining amount of \$1,539,461 is administrative cost incurred by the Department of Health. The value of inventory on hand at June 30, 2018 is \$2,159,153 held by the local Health Departments and \$12,797,534 held by other providers.

D. Loan/Loan Guarantee Programs

Federal Perkins Loans - Federal Capital Contributions (CFDA Number 84.038) – The amount in the accompanying schedule includes administrative costs during the fiscal year as well as the outstanding balance of loans receivable at June 30, 2018. Balances outstanding at the end of the audit period were \$65,195,014.

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

Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students (CFDA Number 93.342) – The amount in the accompanying schedule includes administrative costs during the fiscal year as well as the outstanding balance of loans receivable at June 30, 2018. Balances outstanding at the end of the audit period were \$9,967,953.

Nurse Faculty Loan Program (CFDA Number 93.264) – The amount in the accompanying schedule includes administrative costs during the fiscal year as well as the outstanding balance of loans receivable at June 30, 2018. Balances outstanding at the end of the audit period were \$419,971.

Nursing Student Loans (CFDA Number 93.364) – The amount in the accompanying schedule includes administrative costs during the fiscal year as well as the outstanding balance of loans receivable at June 30, 2018. Balances outstanding at the end of the audit period were \$2,252,602.

Economic Adjustment Assistance (CFDA Number 11.307) – The amount in the accompanying schedule reflects the cash on hand and the outstanding balance of loans receivable from subrecipients at June 30, 2018. Balances outstanding at the end of the audit period were \$19,578,765.

E. Emergency Unemployment Benefits

The amount included in the accompanying schedule for Unemployment Insurance (CFDA Number 17.225) includes \$42,365,875 administrative costs, \$9,901,156 federal unemployment benefits paid to federal employees, a recoupment of \$1,025,082 in Temporary Extended Unemployment Compensation overpayments, \$315,758,719 state unemployment benefits paid to non-federal employees and \$1,170,105 in federal benefits paid to Trade Act impacted workers.

F. Program Expenditures

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

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

3. DE MINIMIS INDIRECT COST RATE

For the year ended June 30, 2018, only the Department of Forensic Science, Southern Virginia Higher Education Center, Virginia Economic Development Authority and the Virginia Health Workforce Development Authority have elected to use the de minimis indirect cost rate per Section 200.414 of the Uniform Guidance.

APPENDICES

APPENDIX I
2018 LISTING OF FINDINGS
GROUPED BY TOPIC

Finding Topic/Report Header		
Finding Number	Finding Title	Applicable To
Financial Accounting and Reporting		
2018-001	Identify and Evaluate Changes to Previously Identified Component Units for Financial Reporting	Department of Transportation
2018-002	Evaluate Invoices for Goods or Services Provided Across Multiple Fiscal Years	Department of Transportation
2018-003	Improve Policies over Service Concession Arrangements	Department of Transportation
2018-004	Implement Separation of Duties over VPSA Education Technology Grant Payments	Department of Education - Central Office Operations
2018-005	Continue to Improve Support and Review of Financial Recording	Department of Education - Central Office Operations
2018-006	Use Secure Local Division Data	Department of Education - Central Office Operations
2018-007	Improve Controls Over Financial Reporting	Department of Human Resource Management
2018-008	Reconcile Billing Records for the Line of Duty Act Program	Department of Human Resource Management
2018-009	Strengthen Controls over Year-End Accrual Reporting	Department of Medical Assistance Services
2018-010	Improve Accounting and Financial Reporting Control Environment of Trust Accounting	Department of the Treasury
2018-011	Improve Financial Reporting of Unclaimed Property Activity	Department of the Treasury
2018-012	Document Risk Management Procedures and Improve Quality of Data Provided to Actuary	Department of the Treasury
2018-013	Improve Controls Over Financial Reporting	Department of Behavioral Health and Developmental Services
2018-014	Improve Bank Reconciliation Policies and Procedures	University of Virginia-Medical Center
2018-015	Improve Revenue Recognition for Non-reimbursement Grants	University of Virginia-Academic Division
Revenue and Accounts Receivable		
2018-016	Enhance Review of Accounts Receivable for Financial Reporting	Department of Transportation
2018-017	Continue Improving the Accounts Receivable Collection Process	Department of Medical Assistance Services
2018-018	Improve the Billing Process	Department of Social Services
2018-019	Ensure Consistent Recording of Receivables	Department of Education - Central Office Operations
Capital Assets and Leases		
2018-020	Improve Financial Reporting of Infrastructure Assets with Proactive Policies and Procedures	Department of Transportation
2018-021	Properly Classify Lease Renewals and Establish Policies for Renovations	Department of General Services
2018-022	Improve Preparation Procedures for Attachment 11	Department of General Services
Multiple Information System Security Control Families		
2018-023	Improve IT Risk Management and Disaster Recovery Planning	Department of Human Resource Management
2018-024	Improve Application and Database Controls over the Enterprise Resource Planning System	Virginia Lottery
2018-025	Improve IT Risk Management and Contingency Planning Program	Department of Social Services
2018-026	Improve Web Application Security	Department of Health
2018-027	Improve Application Security	Department of Behavioral Health and Developmental Services
2018-028	Improve Firewall Management	Virginia Employment Commission
2018-029	Improve Database Security	University of Virginia-Academic Division
2018-030	Improve Wireless Local Area Network Security	University of Virginia-Medical Center
Access Control		
2018-031	Strengthen Access Controls	Department of Taxation
2018-032	Continue to Improve Service Account Management	Department of Taxation
2018-033	Improve Controls over Workgroups	Department of Taxation
2018-034	Improve the Effectiveness of the Access Termination Process	Department of Taxation
2018-035	Improve Controls over Role Access	Department of Taxation
2018-036	Improve Timely Removal of Critical System Access	Department of Health
2018-037	Perform Financial System Access Reviews	Department of Health
2018-038	Improve Access Controls over the Internal Accounting System	Department of Behavioral Health and Developmental Services
2018-039	Develop and Implement Compliant Application Access Management Procedures	Department of Behavioral Health and Developmental Services
2018-040	Remove Access to the Claims Processing System in a Timely Manner	Department of Medical Assistance Services
2018-041	Improve Information System Access Controls	Department of the Treasury
2018-042	Remove Separated Employees' Access to Critical Systems in a Timely Manner	Department of Social Services
2018-043	Ensure Timely Notification of Terminations and Transfers	Department of Motor Vehicles
2018-044	Improve Patient Accounting, Billing, and Management System Segregation of Duties	University of Virginia-Medical Center
2018-045	Perform Annual Access Review of Information Systems	Department of Corrections-Central Administration
2018-046	Improve Logical Access Controls for Users with Privileged Access	Department of Alcoholic Beverage Control
System and Services Acquisition		
2018-047	Continue to Improve Oversight Over Third-Party Service Providers	Virginia Employment Commission
2018-048	Improve Oversight of Third-Party Service Providers	University of Virginia-Medical Center
2018-049	Improve Oversight of Third-Party Service Providers	University of Virginia-Academic Division
2018-050	Review and Document Service Organization Control Reports of Third-Party Service Providers	Department of Accounts
2018-051	Perform Review of Service Organization Control Reports of Third-Party Service Providers	Department of Health
Contingency Planning		
2018-052	Improve Continuity Planning Documentation	Virginia Commonwealth University
2018-053	Improve IT Contingency Management Program	Department of Behavioral Health and Developmental Services
2018-054	Develop Records Retention Requirements and Processes for Case Management System Electronic Records	Department of Social Services
2018-055	Improve Contingency Management Program	Department of Health
2018-056	Improve Disaster Recovery Planning Documentation	Department of Taxation

APPENDIX I
2018 LISTING OF FINDINGS
GROUPED BY TOPIC

Finding Topic/Report Header		
Finding Number	Finding Title	Applicable To
Audit and Accountability		
2018-057	Continue Improving Database Security	Department of Education - Central Office Operations
2018-058	Continue Improving Database Security	Department of Social Services
2018-059	Continue to Improve Database Security	Virginia Employment Commission
2018-060	Perform Information Technology Security Audits	Department of Education - Central Office Operations
Risk Assessment		
2018-061	Complete IT Risk Assessments and Define System Boundaries	Virginia Employment Commission
2018-062	Improve IT Risk Management Process and Documentation	University of Virginia-Medical Center
2018-063	Improve Vulnerability Scanning Process	Department of Education - Central Office Operations
Configuration Management		
2018-064	Develop Baseline Configurations for Information Systems	Department of Behavioral Health and Developmental Services
2018-065	Improve Information Technology Change Management Program	Department of Motor Vehicles
2018-066	Improve Server Operating System Security	Virginia Lottery
Awareness and Training		
2018-067	Improve Security Awareness Training Program	University of Virginia-Academic Division
2018-068	Improve the IT Security Awareness Training Process	Department of Education - Central Office Operations
System and Communications Protection		
2018-069	Improve Web Application Security Controls	Department of Human Resource Management
System and Information Integrity		
2018-070	Continue to Upgrade Unsupported Technology	Department of Behavioral Health and Developmental Services
Information Security Roles and Responsibilities		
2018-071	Improve IT Security Governance	Department of Human Resource Management
Human Resources and Payroll		
2018-072	Improve Controls over Payroll	Department of Behavioral Health and Developmental Services
2018-073	Comply with Employment Eligibility Requirements	Department of Behavioral Health and Developmental Services
2018-074	Comply with 1,508 Hour Rule for Wage Employees	Department of Behavioral Health and Developmental Services
2018-075	Improve Controls Surrounding At-Will Employees	Department of Behavioral Health and Developmental Services
2018-076	Continue to Strengthen Internal Controls over the Employee Separation Process	Department of Transportation
2018-077	Comply with Commonwealth Requirements for Wage Employees	Virginia Commonwealth University
2018-078	Develop and Implement Policy for Monitoring Part-time Employee Hours	Department of Health
Procurement and Statement of Economic Interests		
2018-079	Ensure all Nonexempt Active Vendors in the Commonwealth's Accounting and Financial Reporting System have a Form W-9	Department of Accounts
2018-080	Improve Controls over the Purchasing Process	Department of Behavioral Health and Developmental Services
2018-081	Ensure Employees Complete Required Conflict of Interest Training	Department of Medical Assistance Services
2018-082	Ensure Statement of Economic Interest Filers Complete Required Training	Department of Social Services
Retirement System Member Data		
2018-083	Improve Controls over the Commonwealth's Retirement Benefits System	Department of Behavioral Health and Developmental Services
2018-084	Document Retirement Benefits System Reconciliations	Department of Corrections-Central Administration
2018-085	Improve Timeliness of the Commonwealth's Retirement Benefits System Reconciliation Process	Virginia Commonwealth University
Third-Party Service Providers		
2018-086	Review and Document Service Organization Control Reports of Third-Party Service Providers	Department of Human Resource Management
Other Grants Management		
2018-087	Improve Controls over Income Verification for the Temporary Assistance for Needy Family Program	Department of Social Services
2018-088	Update the Work Verification Plan for the Temporary Assistance for Needy Family Program	Department of Social Services
2018-089	Improve Controls over Federal Performance Reporting	Department of Social Services
2018-090	Obtain Federal Authorization before Deviating from Cash Management Requirements	Department of Social Services
2018-091	Improve Controls over Federal Reporting	Department of Social Services
2018-092	Improve Process and Controls over Subrecipient Monitoring	Department of Social Services
2018-093	Ensure that Subrecipient Reviews Adhere to Monitoring Plan	Department of Social Services
2018-094	Comply with Federal Requirements over High-Risk Vendors	Department of Health
2018-095	Improve Controls over WIC Information System Access	Department of Health
2018-096	Retain Documentation of WIC Financial Eligibility	Department of Health
2018-097	Ensure Adequate Separation of Duties when Certifying WIC Participants	Department of Health
2018-098	Comply with Virginia Administrative Code Requirements for Above-50-Percent Vendors	Department of Health
2018-099	Develop Procedures to Ensure Price Limits Are Accurately Recorded	Department of Health

APPENDIX I
2018 LISTING OF FINDINGS
GROUPED BY TOPIC

Finding Topic/Report Header		
Finding Number	Finding Title	Applicable To
Federal Award Findings and Questioned Costs		
2018-100	Ensure Timely Subrecipient Monitoring	Department of Health
2018-101	Improve Compliance over Enrollment Reporting	Central Virginia Community College, George Mason University, James Madison University, Norfolk State University, Northern Virginia Community College, Old Dominion University, Paul D. Camp Community College, Radford University, Tidewater Community College, University of Virginia-Academic Division, Virginia Commonwealth University, Virginia Polytechnic Institute and State University, Virginia State University
2018-102	Properly Process Return of Title IV Calculations	George Mason University, Norfolk State University, Old Dominion University, University of Virginia-Academic Division
2018-103	Improve Notification of Awards to Students	James Madison University, Norfolk State University, University of Virginia-Academic Division
2018-104	Improve Reporting to the Common Origination and Disbursement System	James Madison University, Virginia State University
2018-105	Promptly Return Unclaimed Aid to the Department of Education	James Madison University
2018-106	Establish and Implement Policies and Procedures over Federal Reporting	Department of Education - Central Office Operations
2018-107	Confirm that Subrecipients are not Suspended or Debarred	Department of Education - Central Office Operations
2018-108	Continue to Strengthen Internal Controls over Time and Effort Reporting for Federal Grants	Department of Emergency Management
2018-109	Strengthen Internal Controls over Journal Entries	Department of Emergency Management
2018-110	Improve Controls over Payroll Adjustments	Department of Emergency Management
2018-111	Strengthen Internal Controls over Procurement to Ensure that Procurement Records are Complete	Department of Emergency Management
2018-112	Improve Process for Allocating Overhead Costs	Department of Emergency Management

APPENDIX I
2018 LISTING OF FINDINGS
GROUPED BY APPLICABLE ENTITY

Applicable To		
Finding Number	Finding Title	Finding Topic/Report Header
Central Virginia Community College		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
Department of Accounts		
2018-050	Review and Document Service Organization Control Reports of Third-Party Service Providers	System and Services Acquisition
2018-079	Ensure all Nonexempt Active Vendors in the Commonwealth's Accounting and Financial Reporting System have a Form W-9	Procurement and Statement of Economic Interests
Department of Alcoholic Beverage Control		
2018-046	Improve Logical Access Controls for Users with Privileged Access	Access Control
Department of Behavioral Health and Developmental Services		
2018-013	Improve Controls Over Financial Reporting	Financial Accounting and Reporting
2018-027	Improve Application Security	Multiple Information System Security Control Families
2018-038	Improve Access Controls over the Internal Accounting System	Access Control
2018-039	Develop and Implement Compliant Application Access Management Procedures	Access Control
2018-053	Improve IT Contingency Management Program	Contingency Planning
2018-064	Develop Baseline Configurations for Information Systems	Configuration Management
2018-070	Continue to Upgrade Unsupported Technology	System and Information Integrity
2018-072	Improve Controls over Payroll	Human Resources and Payroll
2018-073	Comply with Employment Eligibility Requirements	Human Resources and Payroll
2018-074	Comply with 1,508 Hour Rule for Wage Employees	Human Resources and Payroll
2018-075	Improve Controls Surrounding At-Will Employees	Human Resources and Payroll
2018-080	Improve Controls over the Purchasing Process	Procurement and Statement of Economic Interests
2018-083	Improve Controls over the Commonwealth's Retirement Benefits System	Retirement System Member Data
Department of Corrections-Central Administration		
2018-045	Perform Annual Access Review of Information Systems	Access Control
2018-084	Document Retirement Benefits System Reconciliations	Retirement System Member Data
Department of Education - Central Office Operations		
2018-004	Implement Separation of Duties over VPSA Education Technology Grant Payments	Financial Accounting and Reporting
2018-005	Continue to Improve Support and Review of Financial Recording	Financial Accounting and Reporting
2018-006	Use Secure Local Division Data	Financial Accounting and Reporting
2018-019	Ensure Consistent Recording of Receivables	Revenue and Accounts Receivable
2018-057	Continue Improving Database Security	Audit and Accountability
2018-060	Perform Information Technology Security Audits	Audit and Accountability
2018-063	Improve Vulnerability Scanning Process	Risk Assessment
2018-068	Improve the IT Security Awareness Training Process	Awareness and Training
2018-106	Establish and Implement Policies and Procedures over Federal Reporting	Federal Award Findings and Questioned Costs
2018-107	Confirm that Subrecipients are not Suspended or Debarred	Federal Award Findings and Questioned Costs
Department of Emergency Management		
2018-108	Continue to Strengthen Internal Controls over Time and Effort Reporting for Federal Grants	Federal Award Findings and Questioned Costs
2018-109	Strengthen Internal Controls over Journal Entries	Federal Award Findings and Questioned Costs
2018-110	Improve Controls over Payroll Adjustments	Federal Award Findings and Questioned Costs
2018-111	Strengthen Internal Controls over Procurement to Ensure that Procurement Records are Complete	Federal Award Findings and Questioned Costs
2018-112	Improve Process for Allocating Overhead Costs	Federal Award Findings and Questioned Costs
Department of General Services		
2018-021	Properly Classify Lease Renewals and Establish Policies for Renovations	Capital Assets and Leases
2018-022	Improve Preparation Procedures for Attachment 11	Capital Assets and Leases
Department of Health		
2018-026	Improve Web Application Security	Multiple Information System Security Control Families
2018-036	Improve Timely Removal of Critical System Access	Access Control
2018-037	Perform Financial System Access Reviews	Access Control
2018-051	Perform Review of Service Organization Control Reports for Third-Party Service Providers	System and Services Acquisition
2018-055	Improve Contingency Management Program	Contingency Planning
2018-078	Develop and Implement Policy for Monitoring Part-time Employee Hours	Human Resources and Payroll
2018-094	Comply with Federal Requirements over High-Risk Vendors	Other Grants Management
2018-095	Improve Controls over WIC Information System Access	Other Grants Management
2018-096	Retain Documentation of WIC Financial Eligibility	Other Grants Management
2018-097	Ensure Adequate Separation of Duties when Certifying WIC Participants	Other Grants Management
2018-098	Comply with Virginia Administrative Code Requirements for Above-50-Percent Vendors	Other Grants Management
2018-099	Develop Procedures to Ensure Price Limits Are Accurately Recorded	Other Grants Management
2018-100	Ensure Timely Subrecipient Monitoring	Federal Award Findings and Questioned Costs

APPENDIX I
2018 LISTING OF FINDINGS
GROUPED BY APPLICABLE ENTITY

Applicable To		
Finding Number	Finding Title	Finding Topic/Report Header
Department of Human Resource Management		
2018-007	Improve Controls Over Financial Reporting	Financial Accounting and Reporting
2018-008	Reconcile Billing Records for the Line of Duty Act Program	Financial Accounting and Reporting
2018-023	Improve IT Risk Management and Disaster Recovery Planning	Multiple Information System Security Control Families
2018-069	Improve Web Application Security Controls	System and Communications Protection
2018-071	Improve IT Security Governance	Information Security Roles and Responsibilities
2018-086	Review and Document Service Organization Control Reports of Third-Party Service Providers	Third-Party Service Providers
Department of Medical Assistance Services		
2018-009	Strengthen Controls over Year-End Accrual Reporting	Financial Accounting and Reporting
2018-017	Continue Improving the Accounts Receivable Collection Process	Revenue and Accounts Receivable
2018-040	Remove Access to the Claims Processing System in a Timely Manner	Access Control
2018-081	Ensure Employees Complete Required Conflict of Interest Training	Procurement and Statement of Economic Interests
Department of Motor Vehicles		
2018-043	Ensure Timely Notification of Terminations and Transfers	Access Control
2018-065	Improve Information Technology Change Management Program	Configuration Management
Department of Social Services		
2018-018	Improve the Billing Process	Revenue and Accounts Receivable
2018-025	Improve IT Risk Management and Contingency Planning Program	Multiple Information System Security Control Families
2018-042	Remove Separated Employees' Access to Critical Systems in a Timely Manner	Access Control
2018-054	Develop Records Retention Requirements and Processes for Case Management System Electronic Records	Contingency Planning
2018-058	Continue Improving Database Security	Audit and Accountability
2018-082	Ensure Statement of Economic Interest Filers Complete Required Training	Procurement and Statement of Economic Interests
2018-087	Improve Controls over Income Verification for the Temporary Assistance for Needy Family Program	Other Grants Management
2018-088	Update the Work Verification Plan for the Temporary Assistance for Needy Family Program	Other Grants Management
2018-089	Improve Controls over Federal Performance Reporting	Other Grants Management
2018-090	Obtain Federal Authorization before Deviating from Cash Management Requirements	Other Grants Management
2018-091	Improve Controls over Federal Reporting	Other Grants Management
2018-092	Improve Process and Controls over Subrecipient Monitoring	Other Grants Management
2018-093	Ensure that Subrecipient Reviews Adhere to Monitoring Plan	Other Grants Management
Department of Taxation		
2018-031	Strengthen Access Controls	Access Control
2018-032	Continue to Improve Service Account Management	Access Control
2018-033	Improve Controls over Workgroups	Access Control
2018-034	Improve the Effectiveness of the Access Termination Process	Access Control
2018-035	Improve Controls over Role Access	Access Control
2018-056	Improve Disaster Recovery Planning Documentation	Contingency Planning
Department of the Treasury		
2018-010	Improve Accounting and Financial Reporting Control Environment of Trust Accounting	Financial Accounting and Reporting
2018-011	Improve Financial Reporting of Unclaimed Property Activity	Financial Accounting and Reporting
2018-012	Document Risk Management Procedures and Improve Quality of Data Provided to Actuary	Financial Accounting and Reporting
2018-041	Improve Information System Access Controls	Access Control
Department of Transportation		
2018-001	Identify and Evaluate Changes to Previously Identified Component Units for Financial Reporting	Financial Accounting and Reporting
2018-002	Evaluate Invoices for Goods or Services Provided Across Multiple Fiscal Years	Financial Accounting and Reporting
2018-003	Improve Policies over Service Concession Arrangements	Financial Accounting and Reporting
2018-016	Enhance Review of Accounts Receivable for Financial Reporting	Revenue and Accounts Receivable
2018-020	Improve Financial Reporting of Infrastructure Assets with Proactive Policies and Procedures	Capital Assets and Leases
2018-076	Continue to Strengthen Internal Controls over the Employee Separation Process	Human Resources and Payroll
George Mason University		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
2018-102	Properly Process Return of Title IV Calculations	Student Financial Assistance
James Madison University		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
2018-103	Improve Notification of Awards to Students	Student Financial Assistance
2018-104	Improve Reporting to the Common Origination and Disbursement System	Federal Award Findings and Questioned Costs
2018-105	Promptly Return Unclaimed Aid to the Department of Education	Federal Award Findings and Questioned Costs

APPENDIX I
2018 LISTING OF FINDINGS
GROUPED BY APPLICABLE ENTITY

Applicable To		
Finding Number	Finding Title	Finding Topic/Report Header
Norfolk State University		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
2018-102	Properly Process Return of Title IV Calculations	Student Financial Assistance
2018-103	Improve Notification of Awards to Students	Student Financial Assistance
Northern Virginia Community College		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
Old Dominion University		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
2018-102	Properly Process Return of Title IV Calculations	Student Financial Assistance
Paul D. Camp Community College		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
Radford University		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
Tidewater Community College		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
University of Virginia-Academic Division		
2018-015	Improve Revenue Recognition for Non-reimbursement Grants	Financial Accounting and Reporting
2018-029	Improve Database Security	Multiple Information System Security Control Families
2018-049	Improve Oversight of Third-Party Service Providers	System and Services Acquisition
2018-067	Improve Security Awareness Training Program	Awareness and Training
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
2018-102	Properly Process Return of Title IV Calculations	Student Financial Assistance
2018-103	Improve Notification of Awards to Students	Student Financial Assistance
University of Virginia-Medical Center		
2018-014	Improve Bank Reconciliation Policies and Procedures	Financial Accounting and Reporting
2018-030	Improve Wireless Local Area Network Security	Multiple Information System Security Control Families
2018-044	Improve Patient Accounting, Billing, and Management System Segregation of Duties	Access Control
2018-048	Improve Oversight of Third-Party Service Providers	System and Services Acquisition
2018-062	Improve IT Risk Management Process and Documentation	Risk Assessment
Virginia Commonwealth University		
2018-052	Improve Continuity Planning Documentation	Contingency Planning
2018-077	Comply with Commonwealth Requirements for Wage Employees	Human Resources and Payroll
2018-085	Improve Timeliness of the Commonwealth's Retirement Benefits System Reconciliation Process	Retirement System Member Data
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
Virginia Employment Commission		
2018-028	Improve Firewall Management	Multiple Information System Security Control Families
2018-047	Continue to Improve Oversight Over Third-Party Service Providers	System and Services Acquisition
2018-059	Continue to Improve Database Security	Audit and Accountability
2018-061	Complete IT Risk Assessments and Define System Boundaries	Risk Assessment
Virginia Lottery		
2018-024	Improve Application and Database Controls over the Enterprise Resource Planning System	Multiple Information System Security Control Families
2018-066	Improve Server Operating System Security	Configuration Management
Virginia Polytechnic Institute and State University		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
Virginia State University		
2018-101	Improve Compliance over Enrollment Reporting	Student Financial Assistance
2018-104	Improve Reporting to the Common Origination and Disbursement System	Federal Award Findings and Questioned Costs

APPLICABLE MANAGEMENT CONTACTS FOR FINDINGS AND QUESTIONED COSTS

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Lewis Bryant

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ACRONYMS FOR AUDITOR'S SECTION

Acronym	Definition
ABC	Department of Alcoholic Beverage Control
ACF	Administration of Children and Families
AD	Active Directory
ADM	Average Daily Membership
BIA	Business Impact Analysis
CAFR	Comprehensive Annual Financial Report
CAPP	Commonwealth Accounting Policies and Procedures
CFDA	Code of Federal Domestic Assistance
CFR	Code of Federal Regulations
CIS	Center for Internet Security
CM	Configuration Management
COD	Common Origination and Disbursement
COOP	Continuity of Operations Plan
COV	Commonwealth of Virginia
CVG	Commonwealth Vendor Group
DABS	Direct Aid Budget Spreadsheet
DBHDS	Department of Behavioral Health and Developmental Services
DCL	Dear Colleague Letter
DHRM	Department of Human Resource Management
DRP	Disaster Recovery Plan
EBT	Electronic Benefit Transfer
ECOS	Enterprise Cloud Oversight Services
ED	U.S. Department of Education
EFT	Electronic Funds Transfer
EMPG	Emergency Management Performance Grant
FFEL	Federal Family Education Loan
FNS	Food and Nutrition Service
FOIA	Freedom of Information Act
FOIAE	Freedom of Information Act Exempt
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
HHS	U.S. Department of Health and Human Services
HIPAA	Health Insurance Portability and Accountability Act
HRTAC	Hampton Roads Transportation Accountability Commission
HSGP	Homeland Security Grant Program
IEVS	Income Eligibility and Verification System
ISO	Information Security Officer
IT	Information Technology
LHD	Local Health Department
LMS	Learning Management System
LODA	Line of Duty Act
NIST	National Institute of Standards and Technology
NSLDS	National Student Loan Data System

Acronym	Definition
OHR	Office of Human Resources
OIM	Office of Information Management
OMB	U.S. Office of Management and Budget
OPEB	Other Postemployment Benefits
OPGS	Office of Procurement and General Services
PHI	Personal Health Information
SAIC	Science Applications International Corporation
SAMHSA	Substance Abuse and Mental Health Services Administration
SAR	System Access Request
SEC	U.S Securities and Exchange Commission
Security Standard	Commonwealth's Information Security Standard, SEC 501-09
SNAP	Supplemental Nutrition Assistance Program
SOC	Service Organization Control
SOEI	Statement of Economic Interests
SSP	System Security Plan
TANF	Temporary Assistance for Needy Families
USDA	U.S. Department of Agriculture
VBO	Virginia Business Opportunities
VITA	Virginia Information Technology Agency
VLC	Virginia Learning Center
VPSA	Virginia Public School Authority
VRS	Virginia Retirement System
WIC	Women, Infants, and Children
WLAN	Wireless Local Area Network



STUDENT FINANCIAL ASSISTANCE PROGRAMS CLUSTER

REPORT ON AUDIT FOR THE YEAR ENDED JUNE 30, 2018

Auditor of Public Accounts
Martha S. Mavredes, CPA
www.apa.virginia.gov
(804) 225-3350



AUDIT SUMMARY

Our audit of the major federal program of the Student Financial Assistance Programs Cluster, administered by various public higher education institutions in the Commonwealth of Virginia for the fiscal year ended June 30, 2018, found:

- Proper recording and reporting of all transactions, in all material respects, in the institutions' accounting and financial reporting systems, applicable federal student financial assistance systems, and in supplemental information submitted to the Department of Accounts;
- matters involving internal control and operations necessary to bring to management's attention; and
- instances of noncompliance with applicable laws and regulations or other matters that are required to be reported in the Commonwealth's Single Audit. The Single Audit report will be available on APA's website at www.apa.virginia.gov in February 2019.

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AUDIT FINDINGS AND RECOMMENDATIONS

Improve Compliance over Enrollment Reporting

Applicable to: Central Virginia Community College (repeat), George Mason University, James Madison University, Norfolk State University (repeat), Northern Virginia Community College, Old Dominion University, Paul D. Camp Community College (repeat), Radford University, Tidewater Community College, University of Virginia, Virginia Commonwealth University, Virginia Polytechnic Institute and State University, Virginia State University

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

Repeat: Select Institutions as noted above

The following institutions did not properly report enrollment changes to the U.S. Department of Education using the National Student Loan Data System (NSLDS) in accordance with 34 CFR §685.309 and the NSLDS Enrollment Guide for students that had withdrawn and/or graduated.

Central Virginia Community College did not report an accurate effective date for ten out of 32 students tested (31%) and did not report student status changes timely for six students (18%). The underlying cause of the noncompliance is indeterminate and will require additional research.

George Mason University reported incorrect enrollment statuses for two out of 30 students tested (7%), inaccurate effective dates for three students (10%), and did not report student status changes timely for two students (6%). There are various underlying causes for the noncompliance that will require the University's individual attention.

James Madison University did not report an accurate effective date for 12 out of 12 (100%) retroactive withdrawals. There were only 12 retroactive withdrawals for the entire University. By the time the Dean of Student's Office reported the retroactive withdrawals to the Registrar's Office; the Registrar's Office had stopped reporting for that term and started reporting for the next term. This caused the student's withdrawal date to be reported as the end of the term instead of the actual withdrawal date.

Norfolk State University did not report an accurate enrollment status for 12 out of 40 students tested (30%), reported an inaccurate effective date for 27 students (69%), and did not report student status changes timely for 12 students (30%). The underlying cause of the noncompliance is indeterminate and will require additional research.

Northern Virginia Community College did not report an accurate enrollment status for two out of 55 students tested (4%), reported an inaccurate effective date for 12 students (22%), and did not report student status changes timely for 13 students (24%). The underlying cause of the noncompliance is indeterminate and will require additional research.

Old Dominion University did not report an accurate enrollment status for four out of 25 students tested (16%), reported an inaccurate effective date for 14 students (56%), and did not report student

status changes timely for 14 students (56%). The underlying cause of these errors is indeterminate and will require additional research.

Paul D. Camp Community College did not report an accurate enrollment status for nine out of 19 students tested (47%), reported an inaccurate effective date for ten students (52%), and did not report student status changes timely for six students (31%). The full cause of the noncompliance is indeterminate and will require additional research.

Radford University did not report an accurate enrollment status for three out of 37 students tested (8%), reported an inaccurate effective date for 15 students (41%), and did not report student status changes timely for six students (16%). The full cause of the noncompliance is indeterminate and will require additional research.

Tidewater Community College did not report an accurate enrollment status for three out of 50 students tested (6%), reported an inaccurate effective date for eight students (16%), and did not report a student status change timely for one student (2%). The cause appears to be the graduate file extracting incorrect enrollment data.

The University of Virginia did not accurately report the accurate effective date and did not report enrollment status changes timely for three out of 12 withdrawing students tested (25%). The University and auditor have different interpretations of the Code of Federal Regulations and the NSLDS Enrollment Reporting Guide with respect to the establishment of enrollment status effective dates. The University outlines its interpretation regarding the establishment of enrollment status effective dates as part of the University's response and intends to seek clarification regarding its interpretation from the U.S. Department of Education.

Virginia Commonwealth University did not report an accurate enrollment status for nine out of 50 students tested (18%), reported an inaccurate effective date for ten students (20%), and reported student status changes untimely for eight students (16%). There are various causes for the noncompliance that will require the University's individual attention.

Virginia Polytechnic Institute and State University did not report an accurate enrollment status for three out of 30 students tested (10%). The University reported the students with an enrollment status of withdrawn rather than graduated resulting in an inaccurate effective date and untimely reporting. The specific instances of noncompliance related to two students who earned dual degrees and one having a degree conferred after enrolling in and withdrawing from the subsequent term.

Virginia State University did not report an accurate enrollment status for one out of 25 students tested (4%), reported an inaccurate effective date for eight students (32%), and did not report student status changes timely for six students (24%). The full cause of the noncompliance is indeterminate and will require additional research and collaboration with the University's third-party servicer.

In accordance with Code of Federal Regulations, Title 34 CFR §685.309(b)(2), 34 CFR §690.83(b)(2), and as detailed in Dear Colleague Letter (DCL) GEN 12-06, unless the institution expects

to submit its next student status confirmation report within 60 days, the institution must notify the U.S. Department of Education within 30 days of an enrollment change. Additionally, the NSLDS Enrollment Reporting Guide, published by the U.S. Department of Education, identifies specific parameters, which institutions must meet to achieve compliance with these reporting regulations.

Not properly and accurately reporting a student's enrollment status may interfere with establishing a student's loan status, deferment privileges, and grace periods. In addition, the accuracy of the data reported by each institution is vital to ensuring that Direct Loan records and other federal student records remain updated.

Each institution should evaluate their current enrollment reporting policies and procedures. Institutional management should enhance current policies and procedures and/or implement corrective action to prevent future noncompliance. Where applicable, management should also consider implementing a quality control review process to monitor the accuracy of campus and program-level batch submissions.

Properly Process Return of Title IV Calculations

Applicable to: George Mason University, Norfolk State University, Old Dominion University, University of Virginia

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

Repeat: No

The financial aid offices at the following institutions did not properly identify withdrawn students, accurately perform the Title IV return calculation, and/or return unclaimed federal aid for students who had officially or unofficially withdrawn from the institution in accordance with 34 CFR §668.22.

Code of Federal Regulations, Title 34 CFR §668.22, states when a recipient of Title IV grant or loan assistance withdraws from an institution during a period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date. Institutions not required to take attendance must determine the withdrawal date for a student who withdraws without providing notification to the institution no later than 30 days after the end of the earlier of the (i) payment period or period of enrollment; (ii) academic year in which the student withdrew; or (iii) educational program from which the student withdrew. Institutions must return unearned financial aid funds to the U.S. Department of Education no later than 45 days from the date that the institution had determined that the student had withdrawn. Volume 5 of the 2017-2018 Student Financial Handbook states that while determining the length of a scheduled break, the institution should determine the last day that the institution holds class before the scheduled break and consider the next day to be the beginning of the scheduled break.

George Mason University did not properly calculate the return of Title IV funds for the Spring 2018 semester. The underlying cause for the noncompliance is a miscalculation in the number of scheduled break days the regulations and U.S. Department of Education guidance documents require

the institution to exclude from the calculation. The miscalculation of scheduled break days resulted in a net error amount of \$135.66.

For the Spring 2018 semester, Norfolk State University did not identify unofficial withdrawals timely and did not properly complete return of Title IV calculations. The Financial Aid Office identified 27 out of 32 students (32%) as potential unofficial withdrawals prior to the deadline; however, due to delayed correspondence with students, office personnel did not finalize withdrawal determinations until after the federally mandated deadline. Additionally, the financial aid office used an incorrect number of days in its calculation of aid earned by students prior to withdrawing from the institution during the Spring semester. The cause for the calculation errors was a result of a misinterpretation of the number of scheduled break days that regulations and U.S. Department of Education guidance documents require the institution to exclude from the calculation. The miscalculation of scheduled break days resulted in a net error amount of \$3.37.

Old Dominion University did not properly calculate the return of Title IV funds for the Spring 2018 semester. The underlying cause for the noncompliance is a miscalculation in the number of scheduled break days the regulations and U.S. Department of Education guidance documents require the institution to exclude from the calculation. The miscalculation of scheduled break days resulted in a net error amount of \$282.74.

The University of Virginia's medical and law schools (the schools) did not promptly return Title IV funds within 45 days of the institution's determination that a student withdrew for four out of eight students (50%) that withdrew from these schools. Staffing limitations within these decentralized financial aid offices contributed to the delay in processing the returns.

Improperly identifying, calculating, and/or not returning unearned Title IV funds timely to the U.S. Department of Education may result in adverse actions and impact the institution's participation in Title IV programs. Each institution should review and enhance current return of Title IV policies and procedures. Management should implement corrective action to prevent future noncompliance.

Improve Notification of Awards to Students

Applicable to: James Madison University, Norfolk State University, University of Virginia

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

Repeat: No

The following institutions did not properly provide loan borrowers with required written notification including details on timing and method of disbursement, borrower rights, and the procedures for notifying the institution of the desire to cancel the loan in accordance with 34 CFR §668.165 (a)(2).

Code of Federal Regulations, Title 34 CFR §668.165(a), requires institutions, prior to disbursing Title IV Higher Education Act Funds for any award year, to notify a student of the amount of funds that the student or his or her parent can expect to receive under each Title IV Higher Education Act program,

and how and when those funds will be disbursed. If those funds include Direct Loans or FFEL Program funds, the notice must indicate which funds are from subsidized loans and which are from unsubsidized loans. Additionally, 34 CFR §668.165 (3)(i – ii) indicates that for Direct Loans the institution must provide the notice in writing no earlier than 30 days before, and no later than 30 days after, crediting the student’s account at the institution, if the institution obtains affirmative confirmation and no later than seven days if the institution does not obtain an affirmative confirmation.

James Madison University personnel did not properly notify 25 out of 8,620 Direct Loan recipients (0.3%). Business office personnel did not initiate a process that must run to generate the loan notifications, and as such, did not provide the required notifications to the affected students.

Norfolk State University was not able to provide sufficient audit evidence that the University provided all required elements of the award and/or disbursement notifications for 21 out of 25 (84%) of the students tested. The lack of notification documentation appears to relate to a programming error overwriting notification records.

The University of Virginia did not properly notify 499 out of 6,522 Direct Loan recipients (7.7%). A programming error did not capture certain types of loan disbursement transactions resulting in the improper notification to the students.

Not properly notifying students in accordance with Federal Regulations may result in adverse actions and impact the institution’s participation in Title IV programs. Additionally, improper notification could limit the amount of time a student or parent has to make an informed decision on whether to accept or reject a loan.

Each institution should review their current policies and procedures for providing notification to federal aid recipients. Corrective measures should be implemented to ensure that students are provided timely notifications, which include required elements.

Improve Reporting to the Common Origination and Disbursement System

Applicable to: James Madison University, Virginia State University

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

Repeat: No

The following institutions did not provide timely and/or accurate disbursement information to the Common Origination and Disbursement system (COD) in accordance with 34 CFR §668.14(a) and 82 FR 29062.

In accordance with 82 FR 29062, an institution must submit Federal Pell Grant and Direct Loan disbursement records no later than 15 days after making the disbursement or becoming aware of the need to adjust a student’s previously reported disbursement. In accordance with 34 CFR §668.14(a), Title IV funds are disbursed on the date that the institution (a) credits those funds to the student’s account in the institution’s general ledger or any sub-ledger of the general ledger, or (b) pays those funds

to the student directly. Title IV funds are disbursed even if the institution uses its own funds in advance of receiving program funds from the Secretary of Education.

James Madison University financial aid personnel did not report disbursements timely for 19 out of 45 students (42%). The underlying cause of the noncompliance appears to be the result of employee turnover.

Virginia State University financial aid personnel did not accurately report the disbursement date for four out of 30 (13%) of students tested. The underlying cause of the noncompliance is a result of a software defect currently under review.

Not submitting disbursement records within the required timeframe may result in the Secretary rejecting all or part of the reported disbursement. Noncompliance may result in an audit or program review finding or the initiation of an adverse action, such as a fine or other penalty. Management at each institution should review their current policies and procedures for submitting disbursement records and implement corrective action to prevent future noncompliance.

Promptly Return Unclaimed Aid to the Department of Education

Applicable to: James Madison University

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

Repeat: No

James Madison University personnel did not return \$38,534 in unclaimed student financial aid funds to the U.S. Department of Education within the required timeframe for 28 of 252 (11%) students tested in accordance with 34 CFR §668.164(l).

In accordance with 34 CFR §668.164(l), if an institution attempts to disburse the funds by check and the check is not cashed, the institution must return the funds no later than 240 days after the date it issued that check or no later than 45 days after an electronic funds transfer (EFT) is rejected. By not returning funds timely, the institution is subject to federal non-compliance and potential adverse actions that may affect the University's participation in Title IV aid programs. Not performing due diligence activities timely can result in federal non-compliance and subject the institution to potential adverse actions and affect the institution's participation in Title IV programs. The underlying cause of the noncompliance appears to be the result of employee turnover.

Management should evaluate current policies and procedures for returning unclaimed Title IV funds and implement corrective action to prevent future noncompliance. In the event that the institution is unable to contact the federal aid recipient and the check remains uncashed or EFT is rejected, the institution should ensure that unclaimed funds are returned to the U.S. Department of Education within the required timeframe.

January 9, 2019

The Honorable Ralph S. Northam
Governor of Virginia

The Honorable Thomas K. Norment, Jr.
Chairman, Joint Legislative Audit
and Review Commission

We have audited the financial records and operations of the **Student Financial Assistance Programs Cluster**, administered by the Commonwealth of Virginia's public higher education institutions for the year ended June 30, 2018. We conducted this audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, in support of the Commonwealth's Single Audit. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Objectives

Our audit's primary objective was to audit the Student Financial Assistance Programs Cluster in support of the Commonwealth's Single Audit. In support of this objective, we evaluated the accuracy of recorded financial transactions in the accounting and financial reporting system of each institution, applicable federal student financial assistance systems, and in supplemental information submitted to the Department of Accounts; reviewed the adequacy of each institution's internal controls over the federal program; and tested for compliance with applicable laws, regulations, contracts, and grant agreements.

Audit Scope and Methodology

Management at each institution has responsibility for establishing and maintaining internal control and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws, regulations, contracts, and grant agreements.

We gained an understanding of the overall internal controls, both automated and manual, sufficient to plan the audit. We considered materiality and risk in determining the nature and extent of our audit procedures. Our review encompassed controls over the Student Financial Assistance Programs Cluster at the following Commonwealth of Virginia higher education institutions:

- George Mason University
- James Madison University
- Norfolk State University
- Northern Virginia Community College
- Old Dominion University
- Radford University
- Tidewater Community College
- University of Virginia
- Virginia Commonwealth University
- Virginia Polytechnic and State University
- Virginia State University

Additionally, our review included a follow-up on previously issued and unresolved findings at the following Commonwealth of Virginia higher education institutions:

- Blue Ridge Community College
- Central Virginia Community College
- Germanna Community College
- John Tyler Community College
- Mountain Empire Community College
- Paul D. Camp Community College
- Southwest Virginia Community College
- Virginia Highlands Community College

We performed audit tests to determine whether the Student Financial Assistance Programs Cluster’s controls were adequate, had been placed in operation, and were being followed. Our audit also included tests of compliance with provisions of applicable laws, regulations, contracts, and grant agreements. Our audit procedures included inquires of appropriate personnel, inspection of documents, records, contracts, and observation of operations for the Student Financial Assistance program at each institution. We tested transactions and performed analytical procedures.

A nonstatistical sampling approach was used. Our samples were designed to support conclusions about our audit objectives. An appropriate sampling methodology was used to ensure the samples selected were representative of the population and provided sufficient, appropriate evidence. We identified specific attributes for testing each of the samples and when appropriate, we projected our results to the population.

Conclusions

We found that the institutions managing the Student Financial Assistance Federal Programs Cluster properly stated, in all material respects, the amounts recorded and reported in their respective accounting and financial reporting systems, applicable federal student financial assistance systems, and in supplemental information submitted to the Department of Accounts.

We noted certain matters involving internal control and its operation and compliance with applicable laws, regulations, contracts and grant agreements that require management’s attention and corrective action. These matters are described in the section entitled “Audit Findings and Recommendations.”

Our consideration of internal control was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore; material

weaknesses and significant deficiencies may exist that were not identified. However, as described in the section entitled “Audit Findings and Recommendations,” we identified deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We have explicitly identified five findings in the section titled “Audit Findings and Recommendations” that we consider to be significant deficiencies in internal controls over compliance.

Additionally, as described in the “Audit Findings and Recommendations” section of this report, institutions did not comply with certain requirements related to the Student Financial Assistance federal programs, as described in the findings titled “Improve Compliance over Enrollment Reporting,” “Properly Process Return of Title IV Calculations,” “Improve Notification of Awards to Students,” “Improve Reporting to the Common Origination and Disbursement System,” and “Promptly Return Unclaimed Aid to the Department of Education.”

As certain findings noted above have been identified as significant deficiencies for the Commonwealth, they will be reported as such in the “Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards,” which is included in the Commonwealth’s Single Audit Report (Single Audit) for the year ended June 30, 2018. Also, as the findings noted above relate to federal programs, they will be reported in the “Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance,” which is also included in the Single Audit for the year ended June 30, 2018. The Single Audit will be available on APA’s website at www.apa.virginia.gov in February 2019.

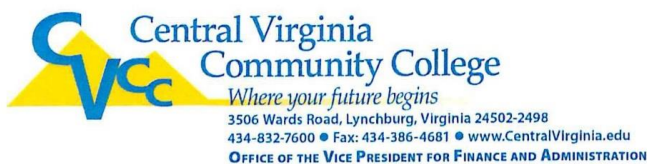
Exit Conference and Report Distribution

We discussed this report with each management of each institution. Each institution’s response to the findings identified in our audit is included in the section titled “Institution Responses.” We did not audit these responses and, accordingly, we express no opinion on them.

This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

AUDITOR OF PUBLIC ACCOUNTS

EMS/clj



February 6, 2019

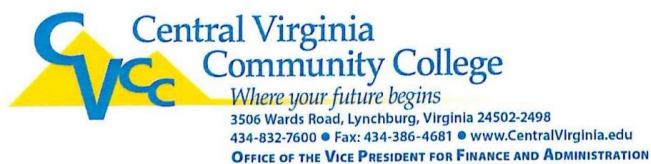
Ms. Martha Mavredes
Auditor of Public Accounts
James Monroe Building
101 North 14th Street 8th Floor
Richmond, VA 23219

Dear Ms. Mavredes,

Please accept this response for our college related to our June 30, 2018 audit findings. We value this opportunity and input to further strengthen our processes. The following information was provided by Dean Michael Farris regarding the cited finding.

CVCC Response: Improve Reporting to the National Student Loan Data System

We concur with this finding and wanted to offer additional context. When this finding first was discovered in 2015, the newly-hired CVCC Dean of Enrollment Management reached out to both the VCCS Director of Financial Aid and the VCCS Coordinator of Admissions and Records for guidance in this area. Through research and discovery, the enrollment data file that is generated at the college by the Admissions and Records Office for submission to the NSC, and subsequently from the NSC to the NSLDS, is done observing a process developed by the VCCS System Office, and has been found to be flawed, in that it does not capture unofficial student withdrawals- the very students noticed as being reported inaccurately by the APA auditor. At that time in 2015, a manual “work-around” for financial aid recipients that required a staff member in the Financial Aid Office to frequently monitor financial aid students that had been completely and unofficially withdrawn from the college was implement for NSLDS enrollment reporting. Once the data of one of these students was noticed to have been reported incorrectly, the financial aid employee would manually update the students record at the NSLDS with accurate enrollment data. Then, once the semester ended, each of these students had to be re-checked for possible overwritten data by the end-of term enrollment reporting data. While in theory this manual workaround is effective, it is very inefficient. Also, and more significantly, it only addressed the students receiving financial aid at the college- not all of its students. At best, this work-around only ensured compliance for about half of the college’s student population. CVCC has been able to demonstrate a decline in

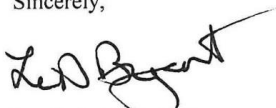


non-compliant students in the follow-up samples, but has simply not been able to completely eliminate non-compliant students from our follow-up samples. Also, since this initial finding, CVCC has restored both the Financial Aid Coordinator and the College Registrar positions which should assist in completing the work around.

Since the follow up visit by the APA auditor in September of 2018, CVCC Dean of Enrollment Management has received confirmation from both the CVCC College Registrar and the VCCS Director of Financial Aid that the NSC file generation process has finally been corrected at the VCCS system-level, and enrollment files generated after June 2018 should be correct. In conclusion, we feel that these measures will help eliminate this finding for future audit periods.

This response provides the context behind the condition cited and the process the college went through to ultimately resolve the deficiency, if you should have further questions, please feel free to call me 434-832-7615 or reach out to Mr. Farris at 434-832-7891

Sincerely,



Lewis A. Bryant III



Office of Student Financial Aid

4400 University Drive, MS 3B5, Fairfax, Virginia 22030
Phone: 703-993-2353; Fax: 703-993-2350; Web: <http://financialaid.gmu.edu>

February 5, 2019

Response to Findings in the Draft 2018 SFA Federal Report for George Mason University

In response to the two findings included in the draft SFA Federal Report, George Mason University's responses are as follows:

Finding #1

Improve Compliance over Enrollment Reporting:

The following Internal Control and Compliance findings were indicated for George Mason University:

- Incorrect enrollment statuses for three out of 30 students tested (10%)
- Inaccurate enrollment status effective dates for four students (13%)
- Untimely reporting of student status changes for two students (6%)

Response

George Mason University will collaborate both internally and with our third party servicer regarding issues with enrollment reporting findings.

Finding #2

Properly Process Return of Title IV Calculations

Response

George Mason University has updated our Student Information System to include the Sunday before break with the number of break days, thus excluding it from the R2T4 calculation as required.



February 4, 2019

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

Dear Mr. Quesenberry,

This letter confirms that we agree to the wording presented in the 2018 APA Student Financial Aid Report Draft as it pertains to findings related to James Madison University with the following caveats:

- The addition of the related percentage (0.3%) to the finding **Improve Notification of Awards to Students**, which starts on page 4 of the report, to read as follows:

James Madison University personnel did not properly notify 25 out of 8,620 direct loan recipients (0.3%). Business office personnel did not initiate a process that must run to generate the loan notifications, and as such, did not provide the required notifications to the affected students.

- The addition of a language indicating that the retroactive withdrawals test sample for the Improve Compliance over Enrollment Reporting (page 1) is representative of the entire population, to read as follows:

James Madison University did not report an accurate effective enrollment status date for 12 out of 12 (100 %) retroactive withdrawals. There were only 12 retroactive withdrawals for the entire University. By the time the Dean of Student's Office reported the retroactive withdrawals to the Registrar's Office; the Registrar's Office had stopped reporting for that term and started reporting for the next term. This caused the student's withdrawal date to be reported as the end of the term instead of the actual withdrawal date.

- The deletion of "financial aid" from the finding **Promptly Return Unclaimed Aid to the Department of Education**, which starts on page 6 of the report, to read as follows:

James Madison University personnel did not return \$38,534 in unclaimed student financial aid funds to the U.S. Department of Education within the required timeframe for 28 of 252 (11%) students tested in accordance with 34 CFR 668.164(l).

With these changes, we find all wording agreeable.

Sincerely,

Mark Angel
Assistant Vice President for Finance

MSC 5719
Massanutten Hall, Room 331
Harrisonburg, VA 22807
Office of 540.568.6433 Phone
ASSISTANT VICE PRESIDENT FOR FINANCE 540.568.3346 Fax



We see the future in you.

FINANCE AND ADMINISTRATION

700 Park Ave., HBW Suite 310, Norfolk, Virginia 23504
P: 757-823-8011 | F. 757-823-8084 | nsu.edu

October 15, 2018

Ms. Martha Mavredes
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218-1295

Dear Ms. Mavredes:

Norfolk State University has reviewed the Financial Internal Control and Compliance Findings and Recommendations provided by the Auditor of Public Accounts for the fiscal year ending June 30, 2018 and agrees, in principle, with all of the findings.

Attached for your consideration is a brief update as to where the campus is with respect to the findings. The formal Corrective Action Workplan will be submitted within thirty days as required by CAPP Manual Topic No. 10205. Please contact me should you have any questions or require additional information.

On behalf of Norfolk State University, please extend my appreciation to all of your staff for their professional audit work and recommendations.

Sincerely,

Gerald E. Hunter
Vice President for Finance and Administration

Cc: Melvin T. Stith, Sr., Ph.D., Interim President
Leroy Hamilton, Jr., Ph.D., Interim Provost and Vice President for Academic Affairs
Michael M. Shackleford, Ed.D., VP for Student Affairs and Enrollment Management
Karla Amaya Gordon, AVP for Finance and Administration / University Controller
Harry Aristakesian, University Internal Auditor
S. Faye Monroc-Davis, Chief Information Officer
Sylvester T. Watkins, Director of Human Resources
Melissa Barnes, Ed.D., Director of Financial Aid
Michael D. Carpenter, Registrar

FY 2018 – Student Financial Aid Internal Control & Compliance Findings

Improve Compliance over Enrollment Reporting

NSU Financial Aid Office personnel will work with the Registrar to ensure timely and accurate reporting of enrollment verification records as well as error batches from the National Clearinghouse. The following internal control procedures will be implemented to ensure compliance. An enrollment status code of ‘withdrawal’ will be implemented to capture students who unofficially withdraw during the 10-week and students who final grading periods resulted in all “F” grades. Reports will be generated to capture students who fail to return from each semester. All batches uploaded to the National Clearinghouse will be reviewed to ensure that they are accepted and free of errors. The Registrar Office will notify Financial Aid personnel of all batches sent to the National Clearinghouse during the 30-day process, 10-week and final grading periods, and between semesters breaks for verifying records in NSLDS.

Properly Process Return of Title IV Calculations

NSU Financial Aid Office will amend its Return of Title IV Funds policy to include the following controls. Upon receipt of the 10-week and final grading reports from the Registrar’s Office, notifications will be sent to students who receive all F grades. Students will be given five business days from the date of the letter and/email to respond. Once the letters/emails are sent, the Financial Aid staff will proceed with performing return of funds calculations, adjustments in aid, notification to Student Accounts and notification to students of revisions in their award. Financial Aid staff will reinstate aid upon receipt of written notification from students and professors that solidifies that the student earned the grades received by class attendance, tests and examinations and/or any assigned requirements. This process will eliminate performing return of funds calculations after receipt of notification from students and/or professors as well as during timeframes of institutional closure.

Improve Notification of Awards to Students

Effective immediately, the Financial Aid Office has established communication management (CM) codes for all documents that are sent to students via hard copy and email to assist in the process and to store batches in a history file. The revised processes will update the student’s communication log and store the date the notification was sent to the student. The grades received by class attendance, tests and examinations and/or any assigned requirements. This process will eliminate performing return of funds calculations after receipt of notification from students and/or professors as well as during timeframes of institutional closure.



Date: February 4, 2019

To: Jim R. Quesenberry, Audit Manager
Auditor of Public Accounts

From: Joan A. Zanders, Director of Financial Aid & Enrollment Services
Northern Virginia Community College

Re: 2018 APA Student Financial Aid Audit Report

Northern Virginia Community College has reviewed the 2018 APA Student Financial Aid Audit Draft. Our only finding was in enrollment reporting, which is completed for us by the National Student Clearinghouse. From information received from the Clearinghouse, a late Department of Education change to required reporting is likely impacting our results, though not the sole cause of errors.

In an attempt to resolve the issues, we have been working with the VCCS to ensure that the query used for enrollment reporting is correctly picking up the required reporting information. We have also reached out to NOVA's POC to gain additional access for our office to enable us to review errors. We will continue working on the various areas until we feel reporting is accurate.

NOVA Financial Aid
College Financial Aid Office, Box 135
8333 Little River Turnpike
Annandale, VA 22003-3743



VICE PRESIDENT FOR ADMINISTRATION AND FINANCE
NORFOLK, VIRGINIA 23529 0014
PHONE: (757) 683 3464

February 4, 2019

Martha S. Mavredes, CPA
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218

Dear Ms. Mavredes:

We have reviewed the audit findings and recommendations resulting from the fiscal year 2018 audit by the Auditor of Public Accounts (APA).

Old Dominion University acknowledges the audit findings. The following contains the APA findings and management's response to the concerns and issues raised.

Improve Compliance over Enrollment Reporting

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

Repeat: Select Institutions as noted above

The following institutions did not properly report enrollment changes to the U.S. Department of Education using the National Student Loan Data System (NSLDS) in accordance with 34 CFR 685.309 and the NSLDS Enrollment Guide for students that had withdrawn and/or graduated:

Old Dominion University did not report an accurate effective enrollment status for four out of 25 students tested (16%), reported an inaccurate effective date for 14 students (56%), and did not report student status changes timely for 14 students (56%). The underlying cause of these errors is indeterminate and will require additional research.

In accordance with Code of Federal Regulations, Title 34 CFR §685.309(b)(2), 34 CFR §690.83(b)(2), and as detailed in Dear Colleague Letter (DCL) GEN 12-06, unless the institution expects to submit its next student status confirmation report within 60 days, the institution must notify the U.S. Department of Education within 30 days of an enrollment change. Additionally, the NSLDS Enrollment Reporting Guide, published by the U.S. Department of Education, identifies specific parameters, which institutions must meet to achieve compliance with these reporting regulations.

Not properly and accurately reporting a student's enrollment status may interfere with establishing a student's loan status, deferment privileges, and grace periods. In addition, the accuracy of the data reported by each institution is vital to ensuring that Direct Loan records and other federal student records remain updated.

Each institution should evaluate their current enrollment reporting policies and procedures. Institutional management should enhance current policies and procedures and/or implement corrective action to prevent future noncompliance. Where applicable, management should also consider implementing a quality control review process to monitor the accuracy of campus and program-level batch submissions.

Management's Response

Based on the findings, Old Dominion University has undertaken a review of our enrollment reporting process to address the issues noted during the audit. Most of the issues are caused by anomalies in the

reporting functionality delivered by our student information system vendor. We participated in a national advisory group with other institutions to address this issue and are awaiting resolution. In the meantime, we have implemented a workaround until the software vendor delivers the resolution.

Properly Process Return of Title IV Calculations

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

Repeat: No

The financial aid offices at the following institutions did not properly identify withdrawn students, accurately perform the Title IV return calculation, and/or return unclaimed federal aid for students who had officially or unofficially withdrawn from the institution in accordance with 34 CFR 668.22.

Code of Federal Regulations, 34 CFR §668.22 states when a recipient of Title IV grant or loan assistance withdraws from an institution during a period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date. Institutions not required to take attendance must determine the withdrawal date for a student who withdraws without providing notification to the institution no later than 30 days after the end of the earlier of the - (i) Payment period or period of enrollment; (ii) Academic year in which the student withdrew; or (iii) Educational program from which the student withdrew. Institutions must return unearned financial aid funds to the U.S. Department of Education no later than 45 days from the date that the institution had determined that the student had withdrawn. Volume 5 of the 2017-2018 Student Financial Handbook states that while determining the length of a scheduled break, the institution should determine the last day that the institution holds class before the scheduled break and consider the next day to be the beginning of the scheduled break.

Old Dominion University did not properly calculate the return of Title IV funds for the Spring 2018 semester. The underlying cause for the noncompliance is a miscalculation in the number of scheduled break days the regulations and Department of Education guidance documents require the institution to exclude from the calculation. The miscalculation of scheduled break days resulted in a net error amount of \$282.74.

Improperly identifying, calculating, and/or not returning unearned Title IV funds timely to the U.S. Department of Education may result in adverse actions and impact the institution's participation in Title IV programs. Each institution should review and enhance current return of Title IV policies and procedures. Management should implement corrective action to prevent future noncompliance.

Management's Response

Based on the findings, the issue has been corrected and the calculation of scheduled break days will be implemented according to the regulations noted in the Student Financial Aid Handbook guidelines. These changes are currently in place for spring 2019.

Old Dominion University takes very seriously our reporting obligations and has addressed the audit findings.

Sincerely,



Gregory DuBois
Vice President for Administration and Finance



February 7, 2019

Ms. Martha Mavredes
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218

Dear Ms. Mavredes,

Paul D. Camp Community College (PDCCC) has taken the following corrective actions in response to the enrollment finding. As recommended in the October 4, 2018, APA Interdepartmental Memorandum to PDCCC's Financial Aid Coordinator and Registrar, management has implemented a quality control review (QCR) process and workgroup. The Registrar and Financial Aid Coordinator each spoke to another VCCS college (VHCC and BRCC, respectively) regarding best practices. An internal QCR with workgroup and calendar of meetings has been created and is being implemented. Per NSC recommendation, at the beginning of each term (by the second report), the QCR workgroup will review the NSLDS Roster. The Registrar has granted View Only access to NSC to the Financial Aid Coordinator and Dean of Student Services. Likewise, the Dean of Student Services will have View Only access to the NSLDS. The Financial Aid Coordinator has disseminated the current NSLDS Reporting Manual to the QCR members for review. The Registrar has reviewed the current reporting schedule with NSC and increased subsequent reporting. The Registrar and Return of Aid Processor will collaborate on the R2T4 report monthly between the Last Day to Drop with a Refund and end of term. The QCR members will review the graduation file at the end of term for campus/program level reporting, on or after the grade due date to review the upload. As many QCR members as is feasible will attend the March NSC training in Norfolk. Our corrective action regarding the enrollment finding is technically complete, although ongoing, since the March training is upcoming.

Sincerely,

A handwritten signature in black ink, appearing to read "Tara L. Atkins-Brady".

Tara L. Atkins-Brady, Ph.D.
Vice President, Academic and Student Development

Cc: Dr. Daniel Lufkin

RADFORD UNIVERSITY

February 7, 2019

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

Dear Ms. Mavredes:

We have reviewed the audit finding and recommendation related to the Student Financial Aid Federal program audit for aid year 2018. We understand that these findings were in relation to the testing over the major federal program of the Student Financial Assistance Programs Cluster for the Commonwealth's Single Audit.

Radford University acknowledges and concurs with the audit findings. The following contains management's response to the finding. We would like to note that immediate corrective action was taken as allowable to address issues of noncompliance, and the applicable offices are continuously reviewing their policies and procedures to ensure their operating effectiveness.

Improve Enrollment Reporting Process

In the past, the University, along with the National Student Clearinghouse, has interpreted the required effective date as either the last date of attendance or the conferral date. As a result of this recommendation, the Registrar's Office has immediately begun using the conferral date for all students who are not enrolled in the term in which they graduate as standard practice.

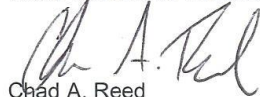
Other exceptions noted relate to the overriding of effective dates in the National Student Loan Data System (NSLDS) due to the submission of batch data. The Registrar's Office in conjunction with the Financial Aid Office are working diligently to further research this issue and determine the best policy and procedure to move forward in a compliant manner. The Registrar's Office is responsible for overseeing the corrective action, and the anticipated completion date is April 30, 2019.

We would like to thank you and your staff for the valuable services that you provide.

Sincerely,



Kitty McCarthy
Vice President for Enrollment Management



Chad A. Reed
Vice President for Finance & Administration and Chief Financial Officer



TO: Christian Langston, Senior Auditor
Jimmy Quesenberry, Project Manager
Eric Sandridge, Project Manager

FROM: Laura Burnham, College Registrar

DATE: February 4, 2019

SUBJECT: **Management Letter**

This letter is in response to the July 27, 2018 memo and notification of the findings from the Tidewater Community College SFA Compliance and Test of Controls.

Tidewater Community College understands the importance of timely enrollment status reporting to the National Student Clearinghouse. The findings in the College's audit were mostly from data for students in the fall 2017 semester. However, in May 2018, the VCCS successfully implemented an updated file extract addressing students who have unofficially withdrawn as well as improvements with graduation reporting (with more improvements forthcoming). The new data extract has already shown a significant improvement on reporting the unofficial withdrawal status for students on each enrollment file. The College submits an enrollment file to the NSC approximately every 21 days throughout a given semester, and extending beyond the semester not more than 25 days. The College also altered the timeline and order for graduation reporting, which went into effect in August 2018. Both of these items have already improved, possibly entirely resolved, the issues raised in the audit findings. The College will continue to diligently review the Enrollment Error reports and the SSCR reports, as well as completing any necessary error resolution in a timely manner. The College will also ensure graduation information is reported timely and completely; paying particular attention to any student reported by the NSC as not having had a graduation row applied to the record.

If you have any questions, please contact me at 822-1919.

Sincerely,

Laura Burnham
College Registrar

Cc: Phyllis Milloy
Corey McCray

Improve Notification Process for Federal Direct Loan Awards to Students**Management Response:**

The University of Virginia concurs with the APA's finding.

Responsible for Corrective Action: Steve Kimata, AVP for Student Financial Services

Anticipated Completion Date: June 30, 2019

Corrective Action to be taken by the University Management:

The University immediately corrected the underlying systems to ensure that all required disclosures are sent to students on a timely basis. SFS will closely monitor the notification process and system on a regular basis going forward to ensure continued compliance.

Promptly Return Title IV Funds**Management Response:**

The University of Virginia concurs with the APA's finding.

Responsible for Corrective Action: Steve Kimata, AVP for Student Financial Services

Anticipated Completion Date: June 30, 2019

Corrective Action to be taken by the University Management:

The University promptly implemented improvements to existing processes that ensures accurate monitoring and the timely return of Title IV funds, including additional controls that alert management to the transactions and impending deadlines.

Improve Reporting to the National Student Loan Data System**Management Response:**

The University of Virginia's understanding of the federal regulations with regards to the effective enrollment change date and the date of determination differs from the APA. Based on the University's interpretation of both the Code of Federal Regulations and the NSLDS Reporting Guide, we feel that we are in compliance with NSLDS requirements. The University has consulted with the National Student Clearinghouse (NSC), the organization that delivers financial aid student enrollment certifications to the NSLDS for UVA and most colleges in regards to the NSLDS requirements and these specific students.

Responsible for Corrective Action: Steve Kimata, AVP for Student Financial Services

Anticipated Completion Date: June 30, 2019

The University interprets the Code of Federal Regulations in conjunction with the NSLDS Reporting Guide, which states that the “Department defers to a school’s policy regarding the establishment of effective dates” (Section 4.4.2 of the Guide). The University acknowledges that the University’s effective enrollment status date for a student’s withdrawal is set in a manner to provide the student with the ability to reconsider his/her initial consideration of withdrawal and receive counseling; only after that does the University set the effective enrollment change date and report changes to the NSLDS. When the University follows the NSLDS Reporting Guide on the establishment of an effective date based on the University’s withdrawal policy, the University’s reporting to the NSLDS is completed on a timely basis. The University is willing to work in concert with the APA to request additional guidance regarding the establishment of an enrollment status change from the Department of Education and to clarify reporting procedures with the National Student Clearinghouse.



VCU

MP # 6

AUDIT AREA: 2018 VCU SFA Compliance and Test of Controls.xlsx

W/P REF: Step 20 – Enrollment Reporting

RE: Improve Reporting to National Student Loan Data System (NSLDS)

To ensure that unofficial withdrawal enrollment updates are reported accurately and timely to NSLDS, the Office of Financial Aid will perform manual enrollment updates to NSLDS for all students who have withdrawn without official notification during a term/semester. This step has been added to the existing Return of Title IV (R2T4) procedure and was implemented at the conclusion of the fall 2018 term/semester.

To rectify the graduation status finding, the Office of Records and Registration is sending amended enrollment files to the National Student Clearinghouse (NSC) to update the NSLDS. The office has also added a supplementary enrollment report for graduates only to the transmission schedule provided to the NSC each semester. In addition, quality control reviews will be conducted in collaboration with staff from the Offices of Financial Aid and Records and Registration at the end of each semester to ensure timely and accurate reporting at both the campus and program levels.



VIRGINIA STATE UNIVERSITY
PETERSBURG, VIRGINIA 23806

Office of Student Financial Aid

(804) 524-5990
TDD (804) 524-5487

MP # 1
AUDIT AREA: Student Financial Aid
W/P REF: 513 (N5) – Enrollment Reporting

VSU Response:

The University will consult with the National Student Clearinghouse on the delivery of enrollment data to the NSLDS to ensure data is accurate. In addition, the following procedures will be implemented:

1. Generate report to capture students who fail to return from a given semester or term to ensure that the enrollment status for these students are reported accurately
2. Review all batches uploaded to the National Clearinghouse and National Student Loan Data System (NSLDS) to ensure that batches are accepted without errors, and/or correct errors that are reported
3. Each semester, quality control reviews will be conducted in collaboration with staff from the Financial Aid Office to ensure timely and accurate reporting

- I concur with the above finding.
 Please see attached additional information.

Myra R. DeBora Bone
Signature

Dec. 14, 2018
Date



VIRGINIA STATE UNIVERSITY
PETERSBURG, VIRGINIA 23806

Office of Student Financial Aid

(804) 524-5990
TDD (804) 524-5487

MP # 2
AUDIT AREA: Student Financial Aid
W/P REF: 513 (N3) – Disbursements

VSU Response:

The following corrective actions will be taken:

- a) Staff will no longer make adjustments directly on COD without the approval of the Director or Associate Director.
- b) Improve documentation with software defects that will include a description of the issue requiring the manual update, corresponding date and the ID of impacted student.

- I concur with the above finding.
 Please see attached additional information.

[Handwritten Signature]
Signature

Dec. 14, 2018
Date



University Controller (MC 0312)
Virginia Tech
North End Center, Suite 3300
300 Turner Street NW
Blacksburg, Virginia 24061
P: (540) 231-6418 F: (540) 231-7221
www.controller.vt.edu

December 16, 2018

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

Dear Ms. Mavredes:

We have reviewed the audit finding and recommendation resulting from the fiscal year 2018 audit by the Auditor of Public Accounts (APA) and Virginia Tech concurs with the audit finding. The following contains the APA's finding and management's response to the finding.

Finding of the APA:

Improve Reporting to National Student Loan Data System

The University did not report enrollment data to the National Student Loan Data System (NSLDS) accurately and timely. We tested thirty students with an enrollment status of either "Graduated" or "Withdrawn". For the thirty students tested, we noted the enrollment status was incorrectly reported for three students (10%).

In accordance with Code of Federal Regulations 34 CFR 685.309 and further outlined in the Enrollment Guide, enrollment changes must be reported to NSLDS within 30 days when attendance changes, unless a roster file will be submitted within 60 days. By not submitting timely and accurate data to the NSLDS, the University can affect the reliance placed by the Department of Education for monitoring purposes and other higher education institutions when making aid decisions. Noncompliance may also have implications on an institution's participation in Title IV programs.

The University should consider implementing additional controls to monitor the submission of enrollment batches and ensure the accuracy of reporting at both the campus and program levels in the NSLDS.

University Response:

The identified enrollment reporting issue is not affecting all students who are reported Graduated (G) to NSLDS. Virginia Tech provides electronic updates to the National Student Clearinghouse and thus NSLDS every 21 days. Our study of the records identified that updates of enrollment status were not reported to NSLDS in instances where Virginia Tech's subsequent submissions to National Student Clearinghouse were not applied to individual students. We have learned that participation in the Clearinghouse's degree verify (DV) program creates conflicting results, in some instances, on which "Graduated" statuses are applied from the file submissions. Specifically, the G to DV process that the National Student Clearinghouse uses to report graduates from subsequent enrollment files omits students who have a graduation record

without a corresponding enrollment entry. Virginia Tech has met with the National Student Clearinghouse and will begin providing a separate graduation file to the Clearinghouse to ensure all G records are reported to NSLDS. The production of this file, testing with the National Student Clearinghouse, and creation of an auditing process will be completed by March 31, 2019.

Responsible Person: Rick A. Sparks Jr.
Associate Vice Provost for Learning Systems Innovation and Effectiveness and
University Registrar

Completion Date: March 31, 2019

Sincerely,



Kenneth Miller
AVP for Finance & University Controller
Virginia Tech

**RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
MAY 2019**

Audit: Student Health and Counseling Services Contract				
	Business Issue	Planned Action	Action Date	Status
1.2	<p>The contract states that the Contractor shall ensure "that 95 percent of all entering students" have submitted a health record form with immunization history.</p> <p>b) It appears that the University was not monitoring compliance with this requirement prior to our audit. Upon our inquiry, the University obtained the data from the Contractor.</p>	<p>The University will ensure that the Contractor identifies all currently enrolled students who have not complied with the requirement, gives them appropriate notice, and then blocks class registration as needed. The University will monitor compliance with the requirement at least semi-annually.</p> <p>Revised Action Plan: The University will perform the function of identifying non-compliant students and placing blocks to prevent registration in accordance with the Code of Virginia.</p>	<p>April 1, 2017 Revised to July 1, 2017 Revised to March 15, 2018 Revised to October 31, 2018 Revised to February 11, 2019</p>	Complete

Audit: IT – Micros				
	Business Issue	Planned Action	Action Date	Status
6.0	<p>During our review of ID card access to data centers, we noted that there is a lack of a formal policy and procedure to govern the process and to guide those granting access to buildings.</p> <p>The lack of a formal policy and procedure results in inconsistency in approving and granting access.</p>	<p>The Division of Finance and Administration will establish a formal University Door Access policy, to address access via ID card and via key.</p>	<p>June 15, 2016 Revised to January 31, 2017 Revised to June 30, 2017 Revised to January 31, 2018 Revised to August 1, 2018 Revised to December 31, 2018 Revised to March 31, 2019</p>	Complete

Audit: Student Recreation & Wellness Department				
Business Issue		Planned Action	Action Date	Status
4.2	<p>The Equipment Reservation Request and Contract used by the Service Desk does not appear to have been reviewed by legal counsel, although it contains wording addressing liability for the University.</p> <p>Although the department asserted that the Equipment Rental Contract used by RU Outdoors had been reviewed by legal counsel, there was no documentation on file to verify that.</p>	The department will obtain legal counsel's review and maintain documentation of that review.	November 1, 2018 Revised to March 1, 2019	Complete
5.1	<p>During our review of required safety training, certification, and/or licensure for employees, we noted that improvements are needed in the tracking of certifications. Specifically,</p> <ul style="list-style-type: none"> a. The Outdoor Programs area does not have a process for tracking the certifications of staff to ensure proper certification and timely recertification. b. Although the Facilities & Operations area maintains a spreadsheet, it is not used for all employees or for all required certifications. <p>Employees not maintaining current safety certifications or trainings and management not properly tracking those could result in employees not being properly trained and able to respond appropriately to a safety incident.</p>	The department will develop a tracking process for all certifications and trainings. All Assistant Directors will maintain, track, and review monthly for compliance and prompt correction as necessary.	October 31, 2018 Revised to December 15, 2018 Revised to April 1, 2019	Complete

Audit: IT – Building Automation Systems				
Business Issue		Planned Action	Action Date	Status
5.0	The Standard requires that the ISO or designee annually reviews a list of persons allowed physical access to sensitive IT systems. In testing the review of those allowed physical access to the data centers, we found that the list reviewed was incomplete. This could lead to an inaccurate review and jeopardize physical security.	DoIT will develop and implement a written procedure to document the physical access review process performed by the ISO.	December 1, 2018 Revised to February 1, 2019	Complete
7.2	Based on BIA and RA results, BAS have been identified as IT disaster components of the University's Continuity of Operations Plan because they are systems that are necessary to recover essential or dependent business functions of the University. The Standard requires an annual exercise of IT disaster recovery (DR) components to assess their adequacy and effectiveness, and, following the exercise, a review and revision of DR components.	Currently, DoIT performs multiple disaster recovery exercises each year, both functional and tabletop, at the enterprise level for DR IT components testing. Due to resource limitations, DoIT is unable to perform disaster recovery exercises on every individual system. Accordingly, DoIT will update the IT Security Standard to better reflect DR testing expectations.	December 1, 2018 Revised to February 1, 2019 Revised to April 1, 2019	Complete
11.0	Improvements are needed in the documentation of information security incident handling for the university. Specifically, <ul style="list-style-type: none"> • Although the University has a document titled, <i>Computer Incident Response Procedure (CIRP)</i>, it does not contain the procedures that DoIT staff actually follows in the handling of an information security incident. • The CIRP lists the membership of the <i>Computer Emergency Response Team (CERT)</i>; however, the list is outdated. • The University does not have documented procedures for information security incident investigation, preservation of evidence, and forensic analysis, as required by the Standard. 	DoIT will finalize the drafted Computer Security Incident Response Team (CSIRT) Plan and publish it. The CSIRT Plan will address each of the items noted.	December 1, 2018 Revised to March 1, 2019	Complete

12.2	<p>Improvements are needed in the information security monitoring and event logging procedures</p> <p>The requirements for the frequency of system administrator log reviews are inconsistent between the IT Security Standard and the Log Review & Storage Policy (IT-PO-5200).</p>	<p>DoIT will review and update the policies and procedures documentation as needed to ensure consistency.</p>	<p>December 1, 2018 Revised to March 1, 2019</p>	<p>Complete</p>
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Business Affairs and Audit Committee

RADFORD
UNIVERSITY

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Radford University Police Department



University Police

The Radford University Police Department (RUPD) is a full-service, sworn, accredited law enforcement agency devoted to the welfare of the University community.

- Provides 24-hour-a-day patrol protection to the campus, parking lots, residence halls and other properties owned or controlled by the university.
- Vested with full law enforcement powers and responsibilities, identical to those of local police or sheriff's departments.



RADFORD UNIVERSITY POLICE DEPARTMENT

Department Personnel



David Underwood
Chief of Police

Sam Shumate

Captain - Services Division

Scott Shaffer

Captain - Operations Division

Sworn Officers (24 FTE)

- **Patrol Operations**

Civilian Personnel (18 FTE)

- **Emergency Management**
- **Administrative Services**

Introducing the Newest Member



K9 Brix



Capital Project Update



Reed-Curie Renovation



Reed-Curie Renovation

Project construction completion is scheduled for Fall 2019, with overall project completion and swing space relocations by December 2019.



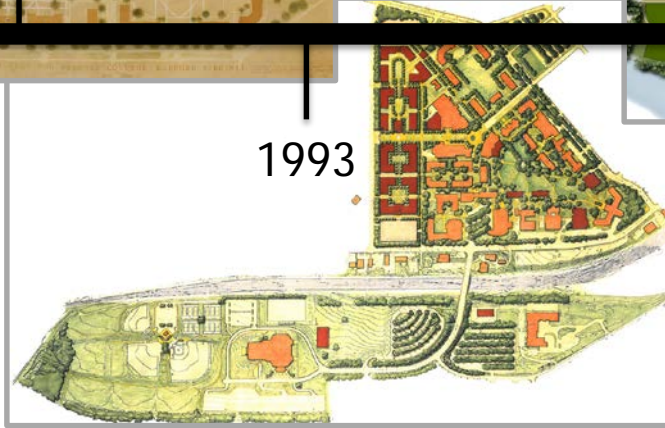
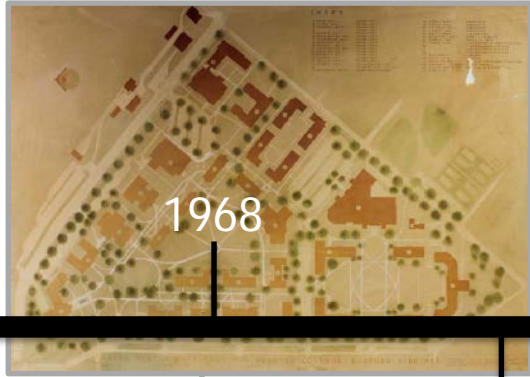
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Center for Adaptive Innovation & Creativity



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2020-2030 Master Plan



Succession Plan Update



Succession Planning

In 2017, § 2.2-1209.C of the Code of Virginia was amended to require that all Executive Branch Agencies develop succession plans for key personnel, executive positions, and employees nearing retirement.

- Ensures responsiveness to the changing realities of the workplace (i.e. retirement, skills gap, bench strength, etc.).
- Provides the university with long term stability in fulfilling its mission.
- Increases the availability of experienced and capable employees that are prepared to assume key positions as they become available.

RU Succession Planning Steps

1. Identifying Key Positions
2. Identifying Job Requirement
3. Identifying and Building Competencies
4. Identify the Successor(s)
5. Assessing Progress



Roanoke Higher Education Center Equipment Transfer



Roanoke Higher Education Center (RHEC)



RHEC - Clinical Simulation Center

In 2015, the RHEC entered into a project to renovate the center.

- The University leases approx. 6,400 sq.ft. for this facility.
- As a part of the capital project the RHEC acquired equipment valued at approximately \$570,000.
- As the equipment is used in the operation of the Center it will need to be transferred to the institution.



2019-20 Fiscal Priorities



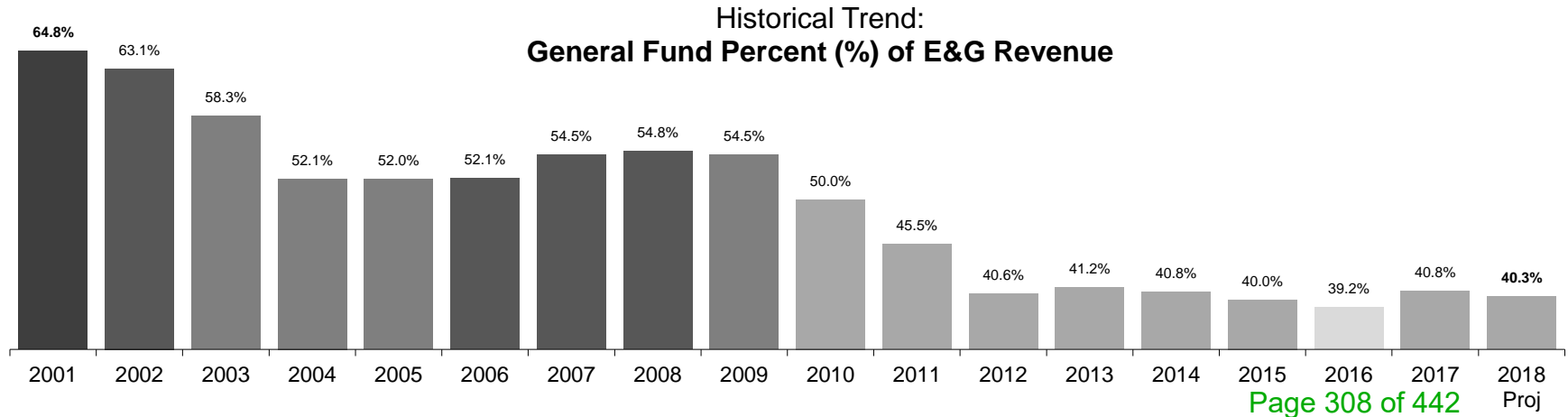
2019-20 Strategic Budgeting Priorities

- **Student Affordability** - the University is tasked with further leveraging funding sources to moderate the growing cost of education.
- **Implementation of Strategic Plan** - development sought to align divisional priorities with the efforts identified in the 2018-2023 strategic plan.
- **Addressing Mandatory Cost Increases** - in addition to state mandated items, the University must also address mandatory cost pressures including contractual commitments, operation and maintenance of facilities, etc.
- **Jefferson College of Health Sciences (JCHS) Merger** - properly manage a new institutional partnership in alignment with long-term strategic goals.

Student Affordability

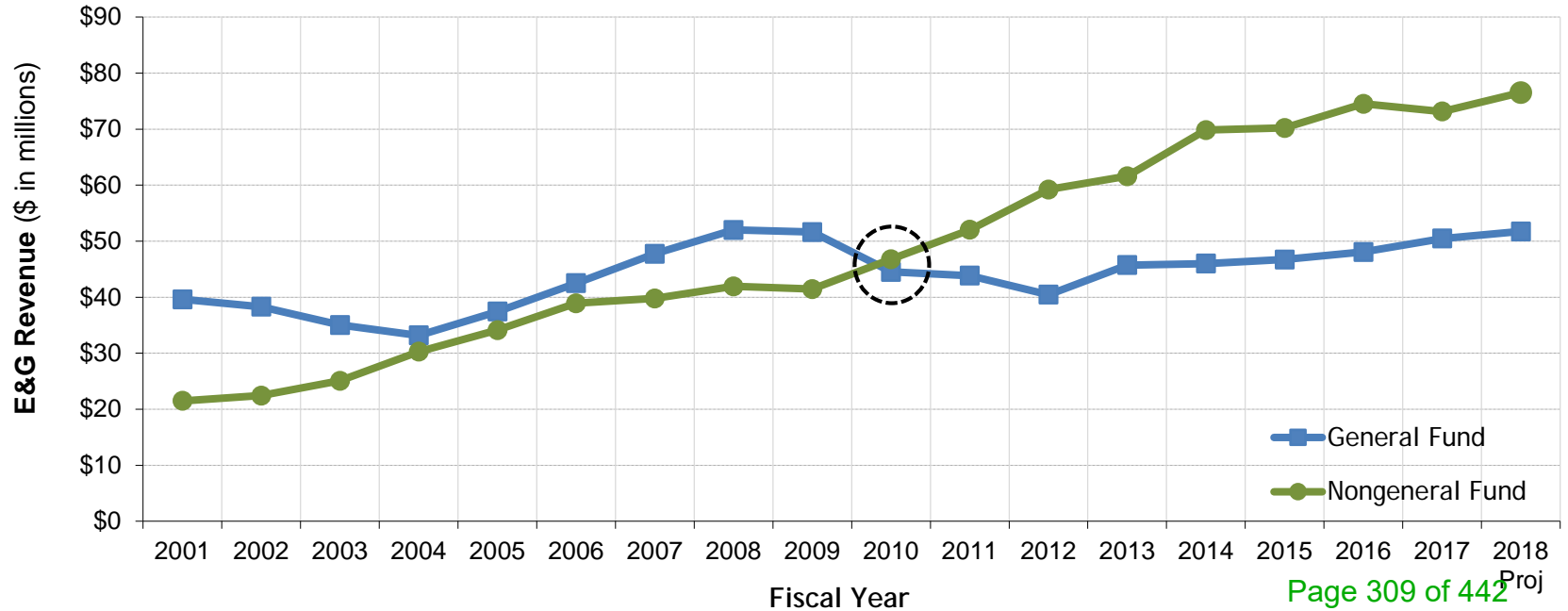
Public Higher Education utilizes a shared cost model

- Higher Education is not a mandated state budget item, but state policy seeks to contribute **67%** share of the cost of education.



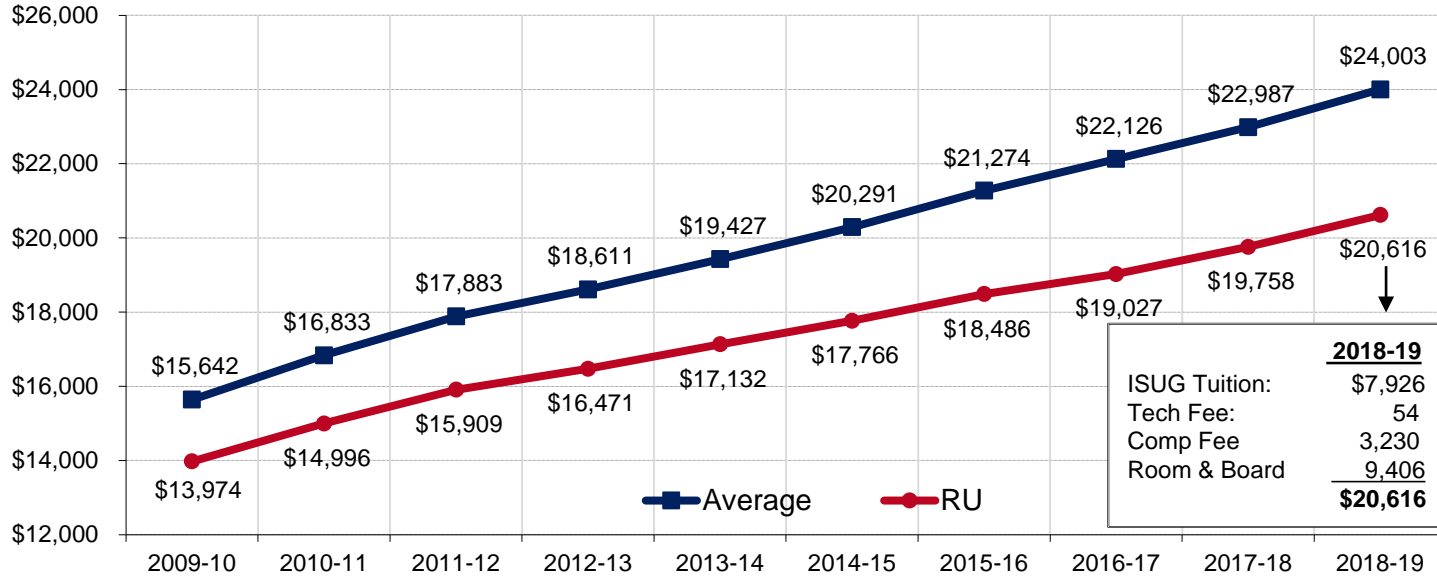
Shift in Higher Education Funding

Radford University E&G Funding Trend



Total Cost: Low Cost Provider

Comparison, In-State Undergraduate
 RU and Average 4-year VA Public Institutions of Higher Education



Rank	Inst.	2018-19
1	CWM	\$35,636
2	VMI	\$28,344
3	UVA	\$27,864
4	CNU	\$26,214
5	VCU	\$24,918
6	LU	\$24,366
7	GMU	\$23,922
8	UMW	\$23,384
9	VT	\$22,554
10	JMU	\$22,528
11	ODU	\$21,334
12	RU	\$20,616
13	UVA-W	\$20,557
14	VSU	\$20,264
15	NSU	\$19,850

Average = **\$24,003**

Tuition Moderation

Budget Amendment Item 253.50 #1c - In State Undergraduate Moderation

- \$52.5M of general fund support was designated in FY2019-20 for In-State Undergraduate Affordability. Allocation to public colleges and universities.
- *Optional* funding contingent on maintaining tuition and mandatory Educational and General (E&G) fees flat to 2018-19 levels.

Radford University allocated share has been identified at \$1,659,000

Implement Strategic Plan

2018-2023 Strategic Plan: *"Embracing the Tradition and Envisioning the Future"*

- The plan contains a total of 6 areas of focus (see below), 22 goals, and a number of strategies for achieving the University's mission and vision.

Academic Excellence and Research

Philanthropic Giving and Alumni Engagement

Brand Identity

Strategic Enrollment Growth

Economic Development and Community Partnerships

Student Success

Mandatory Cost Increases

The University must address a number of state mandated items that continue to be a driving force in increasing the cost of education.

- Prior to pursuing any programmatic opportunities, the institution must first account for all unavoidable cost increases for the upcoming fiscal year.
- There is a growing reliance on making institutional strategic investments.

	2019-20	
	<u>Assumptions</u>	
Salary Adjustments		
3.00% Faculty Increase June 10	\$ 1,832,132	} Salary Adjustments account for the majority of the increase at 67.7% (or \$2.7M) of mandatory costs
2.75% Staff Salary Increase June 10	512,865	
2.25% Add'l Staff Merit Increase June 10	375,683	
	<u>2,720,680</u>	

Radford Full-Time Tuition Policy Change

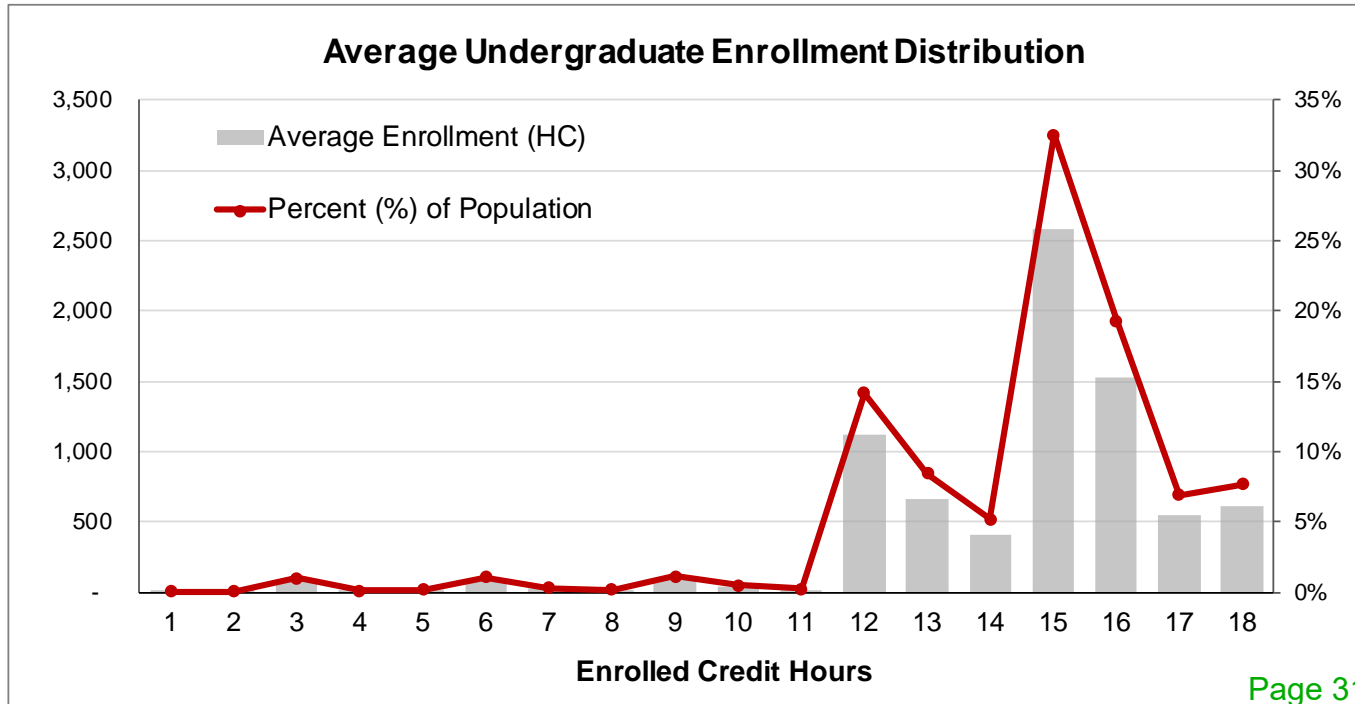
Currently full-time students taking between 12-18 credit hours are charged a flat rate. This is referred to as a flat-rate tuition model.

- The full-time tuition rate is based on 12 credit hours of instruction.
- Students are encouraged to take 15 credit hours a semester to graduate in 4 years.

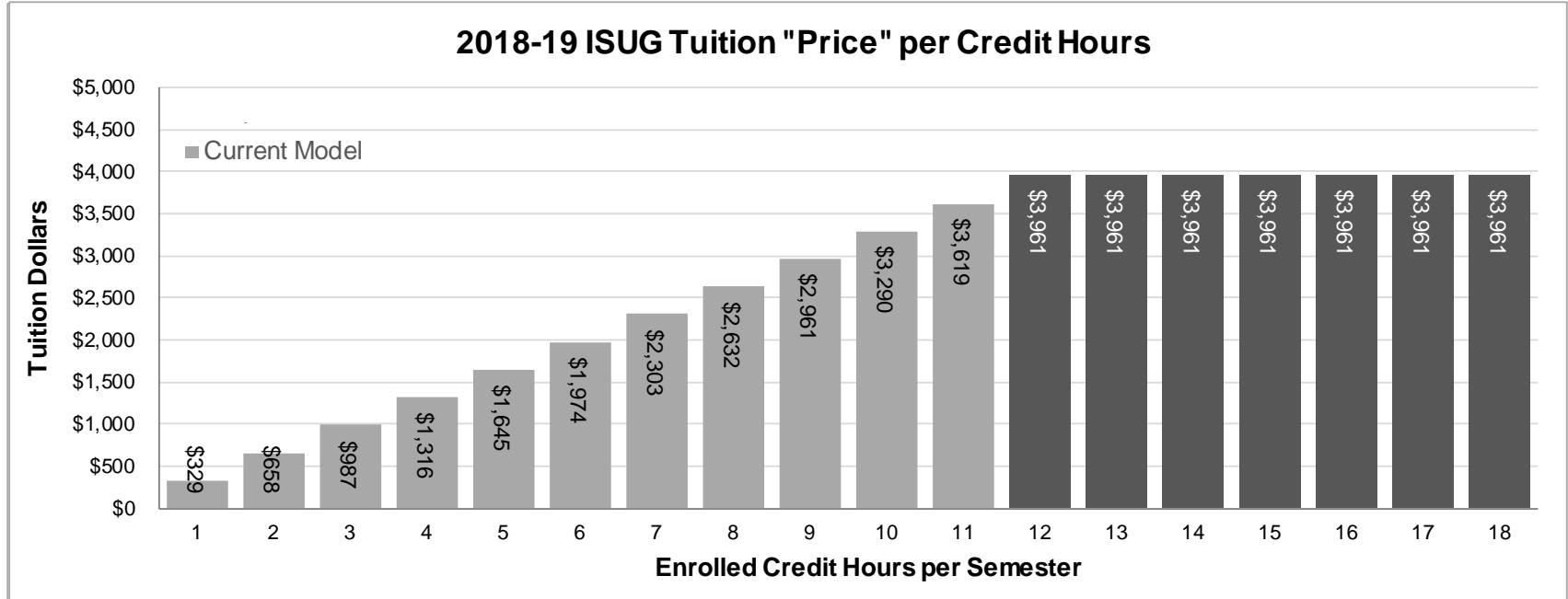
For 2019-20 the University recommends modifying the flat rate model to limit the flat rate to 16 credit hours for students at the Radford campus.

- Students will be incentivized to more actively manage course loads and it better aligns tuition price/cost with student credit consumption.

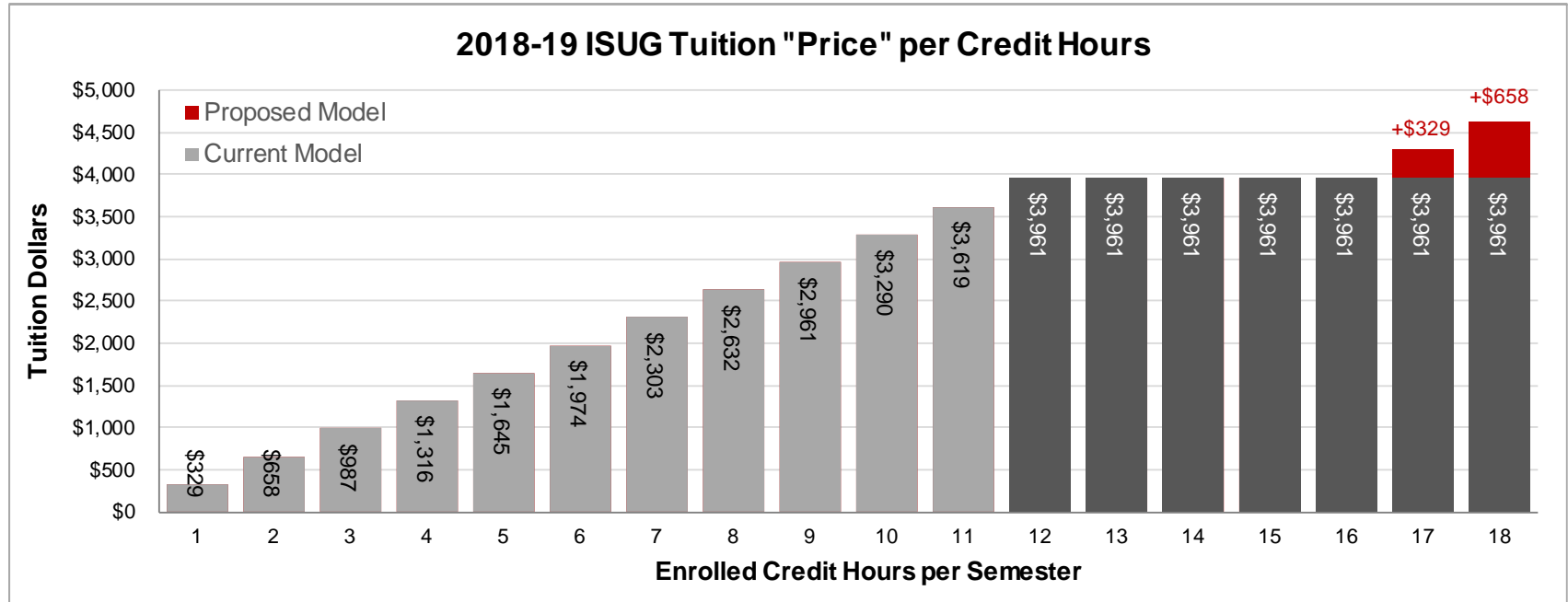
Student Enrollment Distribution



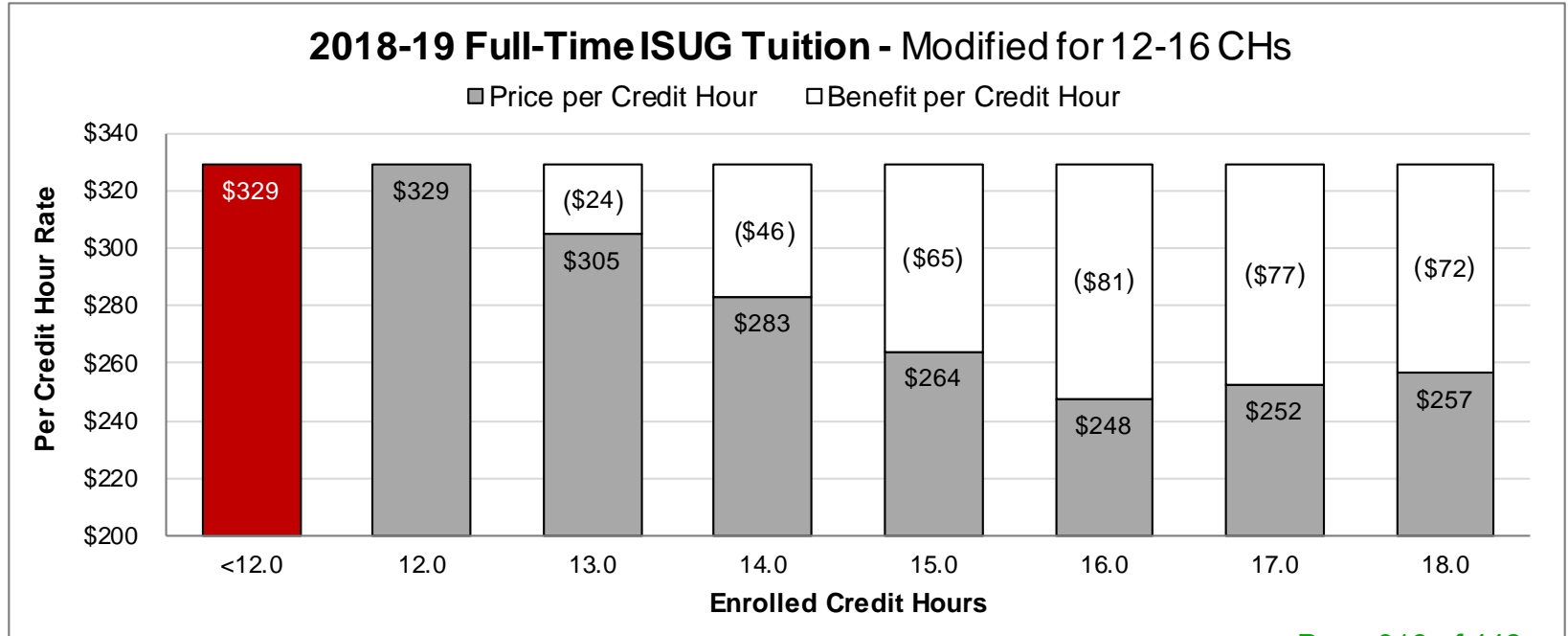
Credit Hour Pricing Structure



Credit Hour Pricing Structure



Modified Tuition Rate Per Credit Hour



2019-20 Preliminary Resource Allocation - Revenue

	<u>2019-20 Preliminary</u>
REVENUE	
General Fund Changes	
2019-20 Degree Production Initiative	\$ 1,028,460
2019-20 Employee Faculty Increase	1,099,279
2019-20 Employee Staff Salary Increase	533,129
2019-20 Fringe Rate Changes	11,544
2019-20 Central Systems Changes	789
2019-20 Tuition Moderation	1,659,000
Total General Fund Changes	\$ 4,332,201
Nongeneral Fund Changes	
Non-General Fund Changes	\$ (3,372,576)
Scholarship Support	(255,550)
Tuition Policy Changes	1,050,000
Total Nongeneral Fund Changes	\$ (2,578,126)
Total Revenue Changes	\$ 1,754,075



This revenue comes in the form of *optional* general funds offered to all public institutions to freeze tuition rates for FY2019-20.



Recommendation to modify flat rate tuition structure to 16 credit hours.

2019-20 Preliminary Resource Allocation - Expense

	<u>2019-20 Preliminary</u>		<u>2019-20 Preliminary</u>
<u>EXPENSES</u>		<u>EXPENSES</u> (cont.)	
Non-Discretionary Cost Increases		Division Recurring Requirements	
Salary Adjustments		Academic Affairs	\$ 354,785
2019-20 3.00% Faculty Increase June 10	\$ 1,832,132	Central Administration	82,244
2019-20 2.75% Staff Salary Increase June 10	512,865	University Relations	30,000
2019-20 2.25% Add'l Staff Merit Increase June 10	375,683	University Advancement	18,915
		Sub-Total Division Requirements	\$ 485,944
Fringe Adjustments		Total Non-Discretionary Cost Increases	\$ 4,461,525
2019-20 Fringe Rate Changes	32,500	Total Savings Strategies	\$ (2,707,450)
Central Cost Commitments		Total Base Budget	\$ 1,754,075
AA Promotion & Tenure	340,481	TOTAL SURPLUS/(DEFICIT)	\$ 0
Student Success and Retention	294,500		
Degree Completion Initiatives	312,500		
Utility Increase	94,000		
Contracts & Compliance	180,920		
Sub-Total Central Commitments	\$ 3,975,581		

2019-20 Tuition & Fee Rate Proposals

RADFORD
UNIVERSITY

Radford University's Main Campus Proposed Rates: In-State Undergraduate

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Radford University				
Undergraduate				
<u>In-state Undergraduate (full-time) –</u>				
Tuition	\$7,922	\$7,922	\$0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total In-state Undergraduate	\$11,210	\$11,350	\$140	1.25%
Room - Standard Double	5,281	5,387	106	2.01%
Board - 19 Meal Plan	4,229	4,356	127	3.00%
Total In-state Undergraduate Living in University Housing	\$20,720	\$21,093	\$373	1.80%

Radford University's Main Campus Proposed Rates: Out-of-State Undergraduate

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Radford University				
Undergraduate				
<u>Out-of-state Undergraduate (full-time) –</u>				
Tuition	\$19,557	\$19,557	\$0	0.00%
Mandatory Capital Fee	447	447	0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total Out-of-state Undergraduate	\$23,292	\$23,432	\$140	0.60%
Room - Standard Double	5,281	\$5,387	106	2.01%
Board - 19 Meal Plan	4,229	\$4,356	127	3.00%
Total Out-of-state Undergraduate Living in University Housing	\$32,802	\$33,175	\$373	1.14%

Radford University's Main Campus Proposed Rates: Graduate Programs

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Radford University				
Graduate				
<u>In-state Graduate (full-time) –</u>				
Tuition	\$8,915	\$8,915	\$0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total In-state Graduate	\$12,203	\$12,343	\$140	1.15%
<u>Out-of-State Graduate (full-time) –</u>				
Tuition	\$17,441	\$17,441	\$0	0.00%
Mandatory Capital Fee	447	447	0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total Out-of-state Graduate	\$21,176	\$21,316	\$140	0.66%

Radford University's Main Campus Proposed Rates: New Ed.D Program

- In 2019-20 Radford University will seek to add its fourth professional doctoral degree; the Doctorate of Education.
- The Ed.D program will serve as a capstone for the College of Education and Human Development.

	<u>Proposed 2019-20</u>
Radford University	
<u>Doctor of Education (Ed.D) In-State (per credit hour)</u>	
Tuition	\$371
Program Fee	101
Mandatory Technology Fee	3
Mandatory Online Program Fee	25
Total In-state Graduate Ed.D	\$500
<u>Doctor of Education (Ed.D) Out-of-State (per credit hour)</u>	
Tuition	\$371
Program Fee	101
Mandatory Capital Fee	19
Mandatory Technology Fee	3
Mandatory Online Program Fee	25
Total Out-of-state Graduate Ed.D	\$519

Radford University's Main Campus Change Summary: Comprehensive Fees

	2018-19	Proposed Change +/-		Proposed 2019-20		Proposed Change %	
	AY Rate	Operating	Mandatory	AY Rate	PCH	AY Rate	excl. Mand
Transit	\$130	12	0	\$142	\$6	9.23%	9.23%
Student Health	\$342	0	11	\$353	\$15	3.22%	0.00%
Student Union	\$296	3	6	\$305	\$13	3.04%	1.01%
Recreation	\$287	19	3	\$309	\$13	7.67%	6.62%
Student Activities	\$127	21	0	\$148	\$6	16.54%	16.54%
Student Services	\$90	5	2	\$97	\$4	7.78%	5.56%
Building Facilities	\$263	1	1	\$265	\$11	0.76%	0.38%
Auxiliary Support	\$216	12	4	\$232	\$10	7.41%	5.56%
Inter. Athletics	\$1,180	16	17	\$1,213	\$50	2.80%	1.36%
Debt Service	\$299	7	0	\$306	\$13	2.34%	2.34%
Total Comp Fee	\$3,230	\$96	\$44	\$3,370	\$140	4.33%	2.97%

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Radford University's Main Campus Proposed Rates: Off-Campus Apartments

	2019-20 Proposed Rates	
	<u>Shared Laundry</u>	<u>In-Unit Laundry</u>
Radford University		
University Apartment - 1 bed	---	\$7,860
University Apartment - 2 bed	\$7,140	\$7,500
University Apartment - 3 bed	\$6,780	\$7,140
University Apartment - 4 bed	\$6,420	\$6,780
University Apartment - 5 bed	\$6,060	\$6,420

Jefferson College of Health Sciences Merger

Building an expanded partnership among leading academic institutions will strengthen the region as a destination for health education and research; ultimately contributing to the growth and development of Southwest Virginia.

- July 10, 2019 is the anticipated effective date of date of merger

In 2019, the Code of Virginia Section § 23.1 - 2104 was amended as follows:

“...the board may establish the Radford University-Roanoke Division (the Division) through the acquisition of Jefferson College of Health Sciences, a nonprofit private institution wholly owned and operated by Carilion Clinic.”

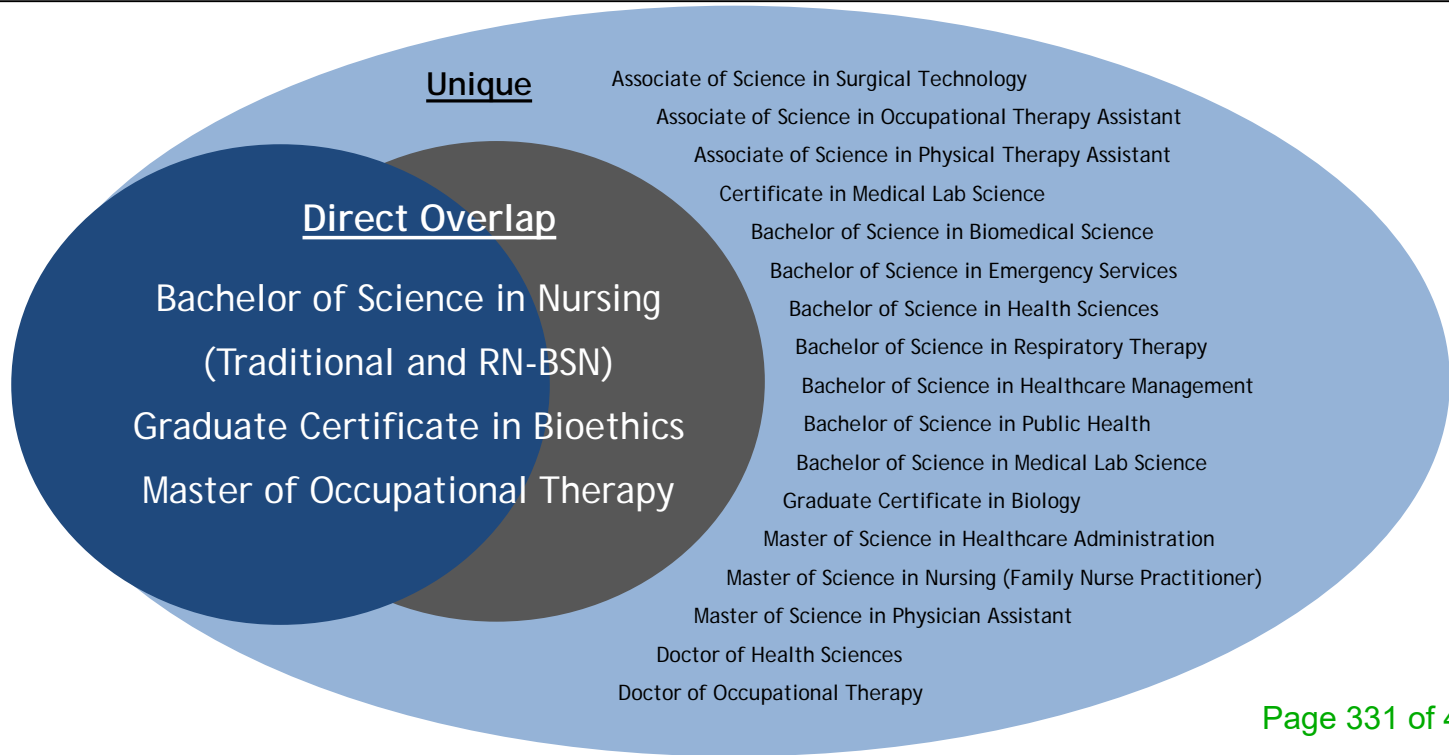
Public-Private Partnership

The logo for RUC (Radford University Carilion) features the letters 'RUC' in a stylized font. The 'R' and 'U' are red, and the 'C' is blue.The logo for Radford University Carilion consists of three lines of text. The first line is 'RADFORD' in red, the second line is 'UNIVERSITY' in red, and the third line is 'CARILION' in blue.

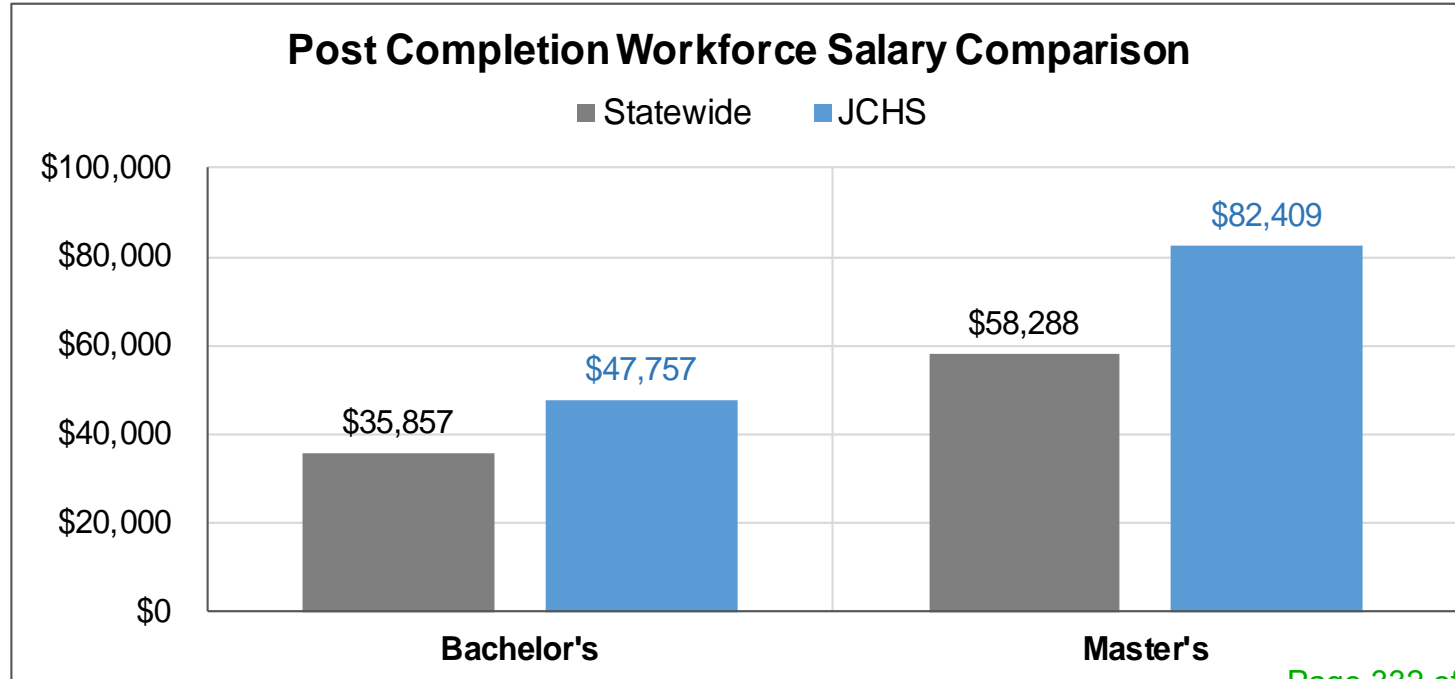
Institutions at a Glance

Category	Radford University	Jefferson College of Health Sciences
Type	Comprehensive Public University	Private Health Sciences College
Focus	Liberal Arts	Health Sciences
Campus	204 acre traditional residential campus	~170,000 sq. ft. urban clinical campus
Location	Radford, Virginia	Roanoke, Virginia
Offerings	0 Associates Programs	3 Associates Programs
	12 Certificates (incl. UG & GR)	3 Certificates (incl. UG & GR)
	38 Bachelor Programs	9 Bachelor Programs
	16 Master Programs	5 Master Programs
	3 Doctoral Programs	2 Doctoral Programs
	69 Total Program Offerings	22 Total Program Offerings
Accreditation	Southern Association of Colleges and Schools Commission on Colleges (SACSCOC)	Southern Association of Colleges and Schools Commission on Colleges (SACSCOC)

Degree Program Overlap



College Entry Salaries



Nursing Shortage

According to the American Association of Colleges of Nursing (AACN):

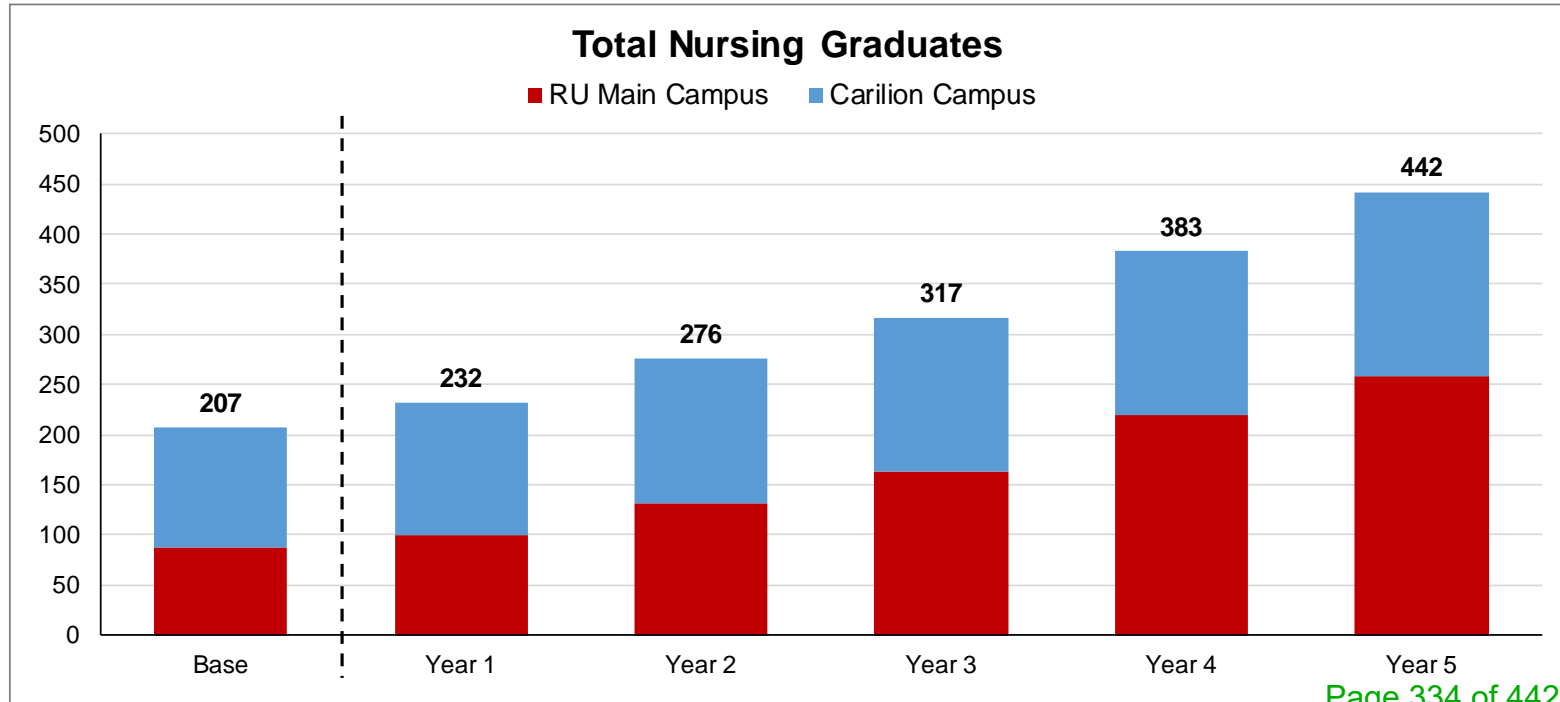
- The U.S. is experiencing a **shortage** of Registered Nurses (RN) that is expected to **intensify** as Baby Boomers age.
- Using data from the Bureau of Labor Statistics (BLS), Registered Nursing is listed among the **top occupations** for job growth through year 2024.

Virginia's demand is expected to outpace supply by **32 percent**.

In early 2019 the number of available "*Registered Nurse*" positions:

- Carilion Clinic +259
- Centra Health +313
- Inova Health +420
- HCA Healthcare +463

Nursing Shortage



Institutional Experience Comparison



Institutional Experience Comparison

Radford University students seek:

Exploration - Traditional **Liberal Arts** experience providing general knowledge of a wide range of subjects and a deeper exploration of ones self

A high level of student-teacher interaction, mentorship, and **collaboration**

Residential style campus providing greater opportunities for student **life experiences**, such as fraternities and sororities, campus wellness center, recreational sports, and clubs

Competitive job placement and entry level salaries compared statewide

Jefferson College students seek:

Focused Intensive Experience - Highly competitive and focused Health Sciences education tailored to the adult learner with part-time options

Unique **hands-on** experiences working with national leaders in all areas of healthcare

Desire to interface with health care professionals on a daily basis in a **hospital setting**

Sought-after degree with 93% **job placement** and potential for higher entry level salaries

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Financial Viability and Business Model



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Agency Communication



Secretary
of Finance



Senate Finance
Committee Staff



Secretary
of Education



House Appropriations
Committee Staff



Virginia
Retirement
System

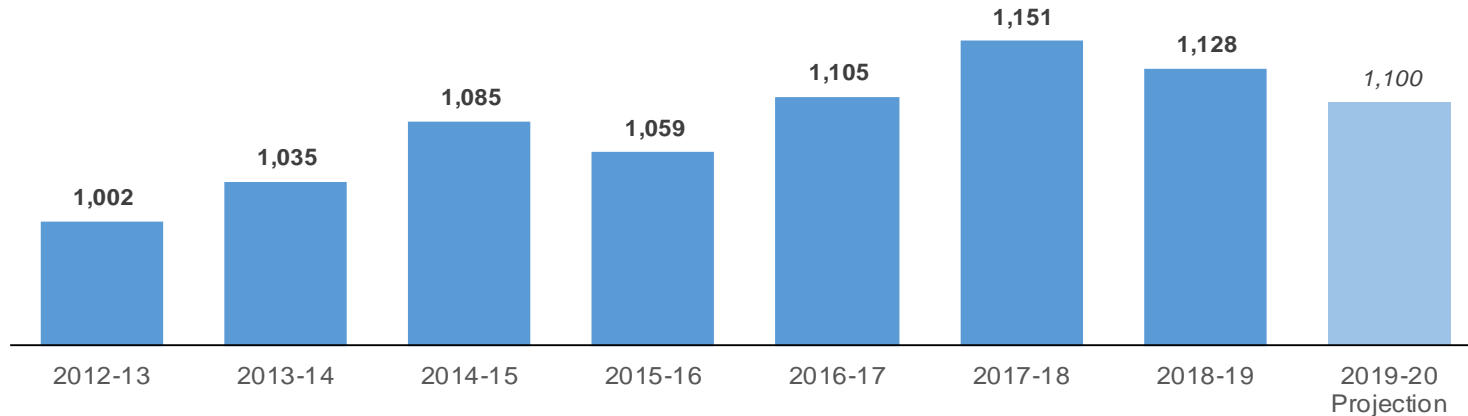


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Program Demand

Strong demand with sustained enrollment growth

- Jefferson College is one of the top producers of nursing and allied health professionals in the region, and top 10 in the Commonwealth of Virginia.



JCHS Total FTE Enrollment Trend

Personnel Operations

152.0 positions will support Radford University Carilion operations

- July 10, 2019 - Transition all 12 month employees
- August 10, 2019 - Transition all 9 month employees

No transition of employer pension liability

- VRS expressed no concerns with the change
- Faculty will elect either an ORP or Hybrid plan
- Classified Staff will default to a Hybrid plan



Non-Personnel Operations

No physical infrastructure or deferred maintenance

- Operations fully contained within Carilion Roanoke Community Hospital
- Operations will continue through a full service lease with Carilion Clinic for ~170,000 sq. ft.
- Lease arrangement also include the Virginia Intercollegiate Anatomy Lab (VIAL) as well as service agreements for security, facilities, and information technology.



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Radford University Carilion

Resource Allocation: Revenue

(Dollar's in thousands)	JCHS Financials	Proposed Allocation
Revenue:		
Tuition and Fees	\$25,761	\$23,758
Scholarship	(3,293)	(3,300)
Net Receivables	\$22,468	\$20,458
Sales & Service	133	133
Other Revenue	42	42
Non-General Fund	\$22,644	\$20,634
General Fund	0	1,707
Total Revenue	\$22,644	\$22,342

Radford University Carilion

Resource Allocation: Expense

(Dollar's in thousands)	JCHS Financials	Proposed Allocation
Expense:		
Personal Services	\$14,973	\$14,643
Non-Personal Services	6,156	6,651
Total Direct Expense	\$21,129	\$21,294
Returned Support	1,515	1,048
Total Expenses	\$22,644	\$22,342
Net Surplus / (Deficit)	\$0	\$0

Radford University Carilion

Proposed Rates: Undergraduate

Radford University Carilion - Tuition & Fees

	JCHS 2018-19	Proposed 2019-20	Dollar Increase	Percent Increase
<u>Undergraduate (full-time)</u>				
Tuition	\$26,416	\$7,922	(\$18,494)	-70.01%
Clinical Site Fee	0	6,000	6,000	N/A
Program Fee	0	9,795	9,795	N/A
Mandatory Technology Fee	470	470	0	0.00%
Total Undergraduate	\$26,886	\$24,187	(\$2,699)	-10.04%

Radford University Carilion

Proposed Rates: Traditional

Radford University Carilion - Tuition & Fees

	<u>Undergraduate</u>		<u>Graduate</u>
	<u>Full-Time</u>	<u>Per Credit</u>	<u>Per Credit</u>
<u>In-state (traditional):</u>			
Tuition	\$7,922	\$330	\$371
Clinical Site Fee	6,000	250	250
Program Fee	9,795	185	174
Mandatory Technology Fee ²	470	N/A ¹	N/A
Total In-state Traditional	\$24,187	\$765	\$795

² The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

Radford University Carilion

Proposed Rates: Differential

Radford University Carilion - Tuition & Fees

Per Credit Hour (PCH)

	Per Credit Hour (PCH)		
	Emergency Services, BS	Medical Lab Science, BS	Nursing RN to BSN
Differential:			
Tuition	\$330	\$330	\$330
Clinical Site Fee	0	0	0
Program Fee	95	95	20
Mandatory Technology Fee ²	N/A	N/A	N/A
Total Differential	\$425	\$425	\$350

² The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

Discussion

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
May 9, 2019

Information Item
Capital Projects Update

Item: Facilities Planning and Construction update on capital projects.

Background: Currently, the University has **two active capital projects** in progress. Following is an update and project summary:

1. Reed-Curie Halls Renovation

Project Budget ----- \$33,045,000

Architect/Engineer Firm----- Cannon Design

Construction Manager----- Branch and Associates

The Reed-Curie renovation project was approved in the spring 2016 state bond package. The project will completely renovate the existing Reed Hall and Curie Hall science buildings to complement the recent addition of the Center for the Sciences, ultimately providing an overall state-of-the-art facility for nearly all of RU’s Artis College of Science and Technology departments.

Occupants in the renovated building will include: the departments of physics, geology, geospatial sciences, and the Office of the Dean. The Cyber Security Center will also be housed in the renovated building, along with support spaces for the departments of chemistry and biology. The greenhouse will also be renovated and remain located adjacent to the renovated Reed Hall.

The state initially approved funding for detailed planning for the project in fall 2016, and then approved final funding for the remainder of design and the construction on June 30, 2017. The state issued an approved demolition Building Permit on January 8, 2018 and the approved full project Building Permit on May 3, 2018.

During summer 2017, the University completed the relocation of staff and equipment to various swing spaces on campus to render the building unoccupied. A Guaranteed Maximum Price for an Early Release Demolition Package was approved with a Notice-to-Proceed executed on January 8, 2018, and a subsequent Guaranteed Maximum Price for the full Project Renovation Package was approved with a Notice-to-Proceed executed on May 3, 2018.

Demolition is complete, including all interior systems and components and select exterior utilities and site work. The façade of the existing Curie Hall has also been demolished and installation is well underway of a new façade to more closely match the elements of the adjacent Center for the Sciences and to provide full views from the interior building spaces. New interior walls and various building systems installations are well underway, starting at the first floor and proceeding to the third floor. Electrical and HVAC/plumbing rough-ins are complete and the installation of walls and ceilings are well underway. New roofing installation is nearly complete. The foundations and framing for the entry area addition and various exterior utility systems and components are complete.

Design for furniture and other equipment/furnishings is complete, final estimates have been received from VCE and other vendors and are within the approved budget. Funding has been requested to be transferred to the project to allow timely procurement of the furniture fixtures and equipment. Project construction completion is scheduled for the fall of 2019 with overall project completion and swing space relocations by December 2019 to allow classes in January 2020.

2. Center for Adaptive Innovation and Creativity

Project Budget ----- \$4,000,000
(Detailed Planning only)

Architect/Engineer Firm----- Hord Coplan and Macht

Construction Manager----- Skanska

The Center for Adaptive Innovation and Creativity project was approved for Detailed Planning in July 2018, as described in the University’s six-year capital plan submission to the state in December 2017.

The Center will address an array of significant existing programmatic and building deficiencies across a number of academic colleges. The approximately 178,000-square-foot multi-story building will include state-of-the-art instruction, laboratory, maker, studio, computer, and collaborative spaces that integrate the arts and health sciences, along with office and other academic support functions. Specialty spaces will include an instructional auditorium and support spaces, health science clinical lab spaces, painting and drawing studio spaces, and music and dance studio spaces. The project will be located in a prominent area of campus directly adjacent to East Main Street and will respond aesthetically to the existing buildings along this important campus corridor.

The project scope will generally provide for demolition of the existing Porterfield East and West Halls and McGuffey Hall and construction of the new building and building systems and components including HVAC, plumbing, electrical, fire alarm and detection, fire suppression,

lightning protection and elevators. The project will replace existing facilities and building systems nearly 50 years old that are inadequate for today's learning environment and technologies. Significant utility impacts will need to be accommodated, along with erosion/sediment control and storm water management requirements. The impact of required swing spaces and potential phased construction are being investigated during the preliminary design phases of the project.

The solicitation for design services was advertised on May 1, 2018, and the firm of Hord, Coplan and Macht was selected and the design began in July. The initial Programming effort has been completed, and early building schemes were developed and approved by the University. Geotechnical investigations and site/utility surveying are complete. The state's Department of Historic Resources has approved the proposed demolition, and the Environmental Impact Report has been approved by the Department of Environmental Quality (DEQ). The demolition package has been approved by the Art and Architectural Review Board (AARB), along with final approval of the new building design package by AARB as well. The Schematic Design Package was submitted to the Division of Engineering and Buildings (DEB) in November, with subsequent approval in December. The Preliminary Design Package and Estimate are scheduled to be submitted to DEB in May 2019, which will complete the funded Detailed Planning phase of the project.

The University's request to utilize the Construction Management-at-Risk delivery method was approved by DEB, and the solicitation for CM-at-Risk services was advertised on July 22, 2018. Qualifications packages were received on August 21, 2018, with RFP proposals and interviews in mid-September. The contract for pre-construction services was awarded to Skanska on October 8, 2018, and their team is currently providing pre-construction services for the project.

The project was not funded in 2018-20 amended budget proposals; therefore, the project will not proceed past Detailed Planning in the upcoming year. The University continues to advocate for full project funding and will be seeking approval for inclusion in the upcoming 2020-22 Executive Budget.

3. Master Plan 2020-2030

The University is underway on the preparation of a new comprehensive Master Plan. Background information gathering for the Master Plan 2020-2030 began in 2017, with the assignment of the Committee and kickoff meeting in April 2018. Initial information gathering and stakeholder input occurred throughout the summer and fall of 2018, with campus open forums and presentations to all internal governance Senates and other organizations and stakeholder groups. Sub-committees were formed to study specific areas of interest including academics; student activities and services; land use; transportation; infrastructure and sustainability; and public-private and community. A review of existing campus space utilization was completed, using outside consultants to identify potential under- or over-

utilization of various space types. A review of existing campus parking was also completed, using outside consultants to identify potential areas of improvement for traffic, parking and public transportation. Initial findings have been compiled and reviewed with the Executive Steering Committee in January 2019, in order to identify areas for greater analysis by the Committee in spring 2019. Final document preparation is scheduled for Summer/Fall 2019, with completion in December 2019.

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
May 9, 2019

Information Item
Succession Planning Update

Item:

An update of Radford University's succession planning efforts presented at the May meeting of the Board of Visitors' Business Affairs and Audit Committee.

Background:

In 2017, § 2.2-1209.C of the Code of Virginia was amended to require that all Executive Branch Agencies develop succession plans for key personnel, executive positions, and employees nearing retirement.

The purpose of the succession plan is to ensure the University is able to fulfill its mission when a key staff separate from the University. The succession plan is a "living document" that will be ever evolving and responsive to the changing realities of the workplace. Realities, such as retirements of aging workforce, lack of an emerging group to replace baby boomers and increasing demand for senior management expertise, must be taken into consideration to ensure continuity of operations. Identifying, mentoring, and providing professional development opportunities to the 'next generation' of managers is critical to the success of the succession plan.

The University's succession plan was derived into five key elements: identifying key positions, identifying job requirements, identifying and building competencies, identifying successor(s), and assessing progress. Creating a plan around these five elements is the responsibility of the Department of Human Resources in conjunction with senior staff. While Human Resources is able to provide guidance on how to create and enact a succession plan, senior staff play a vital role in ensuring the proper positions, responsibilities and accomplishments are achieved.

The Commonwealth's Division of Human Resource Management (DHRM) has provided a succession plan tool that is being employed in the University's ongoing process and additional data on positions is being gathered from each senior officer's area. To assist in identifying job requirements, information questionnaires will be completed on all identified positions. Once the positions and critical job requirements are identified, core competencies will be defined to assist with creating necessary training and development programs. Identifying successors within existing institutional staff that have necessary credentials and performance evaluations in accordance with Affirmative Action Equal Opportunity Guidelines would be the next step in the process. Human Resources will utilize the University's personnel system, PeopleAdmin, to measure (over a three year period) "down time" and "gaps" between incumbent departure and appointment of successors versus new hires from searches. Human Resources will continue to monitor and assess the progress made under the succession plan and modify as necessary to ensure the plan is effectively addressing the need of ensuring continuity of operations during periods of employee turnover.

Radford University's Succession Plan was submitted to the Department of Human Resource Management and the Secretary of Education on October 1, 2018.

Action:

None. Informational only.

**Radford University Board of Visitors
Business Affairs & Audit Committee
May10, 2019**

Action Item

Approval of Personal Property Transfer from Roanoke Higher Education Center

Item:

Adoption of a Resolution authorizing the President and Vice President for Finance and Administration and Chief Financial Officer to effect transfers/sales of personal property from the Roanoke Higher Education Authority.

Background:

Effective July 1, 1998, the General Assembly adopted legislation establishing the Roanoke Higher Education Authority (RHEA). The RHEA was created based off the model used by the Southwest Virginia Higher Education Center located in Abingdon, Virginia. The purpose of the Authority is to manage the facility, schedule use of space and provide centralized services to increase cost efficiency of the Higher Education Center. The Roanoke Higher Education Center (RHEC) offers a variety of programs spanning from training certificate programs to doctoral programs from over a dozen member institutions.

Radford University is a charter member of the RHEC. Radford University currently offers undergraduate degree completion programs by utilizing a variety of teaching methods including live instruction, videoconference connections, online learning and combinations of all the aforementioned to deliver programs and services. In addition, Radford University administers the Clinical Simulation Center, authorized by the State Council of Higher Education and serving regional health care teaching agencies. The School of Nursing in Radford University's Waldron College of Health and Human Services operates the Clinical Simulation Center. The Clinical Simulation Center allows students to participate in simulated experiences from a hospital setting, outpatient clinic, and/or home health environment.

A bond-funded package secured by the RHEC from the General Assembly underwrote a project, which included a 1,800-square-foot expansion and renovation of 2,800-square feet of the existing Clinical Simulation Center that was completed in 2017. In addition to the expansion and renovation personal property equipment items were also obtained. These items include, but are not limited to, computers, televisions, treatment patient simulators, workstations, automated medication dispensing systems, etc. The RHEA anticipates transferring/selling personal property obtained in conjunction with the bond package to entities that lease the space, to include Radford University, in order to avoid the cost of maintaining personal property. Radford University is equipped to manage, track and maintain acquired personal property.

Action:

Board of Visitors adoption of a Resolution of Approval of Personal Property Transfer from Roanoke Higher Education Center.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
May 10, 2019

Approval of Personal Property Transfer from Roanoke Higher Education Center

WHEREAS, Radford University (the “Transferee/Buyer”) is a charter member of the Roanoke Higher Education Center (“RHEC”). Radford University currently offers undergraduate degree completion programs at the RHEC, as well as administers the Clinical Simulation Center. The School of Nursing in Radford University’s Waldron College of Health and Human Services operates the Clinical Simulation Center. The Clinical Simulation Center allows students to participate in simulated experiences from a hospital setting, outpatient clinic, and/or home health environment. A bond-funded package secured by the RHEC from the General Assembly underwrote a project, which included a 1,800-square-foot expansion and renovation of 2,800-square feet of the existing Clinical Simulation Center that was completed in 2017.

WHEREAS, the Roanoke Higher Education Authority (the “Transferor/Seller”) has acquired certain personal property (the “Property”) with funds provided to the Transferor/Seller by Virginia College Building Authority (“VCBA”) pursuant to a Facilities Agreement (21st Century College Project) dated as of August 1, 2011 (as amended by amendments dated as of December 1, 2012, April 1, 2015 and June 1, 2016, the “Facilities Agreement”) between the Transferor/Seller and VCBA;

WHEREAS, the Transferor/Seller anticipates that portions of the Property will be transferred/sold to entities that lease space in the Transferor/Seller’s facilities (each, a “Transferee/Buyer”), including without limitation Radford University, in order that the Transferor/Seller might avoid the cost of maintaining such portion or for other reasons; and

WHEREAS, the Board of Visitors of the Transferee/Buyer desires to accept such transfers/sales of the Property;

NOW, THEREFORE, BE IT RESOLVED,

1. The officers of the Transferee/Buyer (the “Officers”), including its President and its Vice President for Finance and Administration and Chief Financial Officer, are hereby authorized to effect transfers/sales to Transferee/Buyer of such portions of the Property, and upon such terms and conditions, as any of the Officers shall deem appropriate. Any of the Officers may execute such documents (which may include agreements of transfer/sale, bills of transfer/sale and other documents), and take such further action, as he may deem necessary or desirable in order to effect any such transfer/sale.

2. The Officers are hereby authorized and directed to take such actions as may be necessary to cause such transfers/sales of Property to comply with the terms of the Facilities Agreement.

3. This resolution shall be effective upon its adoption. The foregoing resolution was duly adopted by the Board of Visitors of Radford University at a meeting duly called and held on May _____, 2019.

RADFORD UNIVERSITY

Mark S. Lawrence, Rector

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
May 9, 2019

Action Item
Recommendation for 2019-20 Tuition and Fees

Executive Summary:

At the spring meeting of the Board of Visitors, tuition and fee recommendations are considered for the upcoming fiscal year. Many factors are reviewed when preparing the proposed tuition and fee rates including: legislative actions by the General Assembly, enrollment projections, mandatory cost increases, the Virginia Plan for Higher Education, the University's strategic plan, critical programmatic needs, institutional priorities, and the economic outlook. The proposed resolution covers undergraduate and graduate tuition rates, required fees, and room and board charges for the upcoming 2019-20 academic year.

The Commonwealth's financial outlook has improved significantly since the prior 2016-18 biennium. With this increased stability, the Governor has committed to a long-term fiduciary strategy to provide affordable education and housing to all Virginians. The Commonwealth has invested in a Tuition Moderation initiative for in-state undergraduate students. This initiative comes in the form of optional general funds offered to all public institutions to freeze tuition rates for FY2019-20 at FY2018-19 levels. The Commonwealth is also able to increase its reserves and broaden the fiscal integrity of the State with additional funding from the revised tax plan. While the outcome of the 2018-20 biennial budget remains tentative, it is expected that the Governor will sign the proposed state budget.

The University evaluated the impact of the Tuition Moderation funding, along with other unavoidable cost increases for the next fiscal year prior to pursuing programmatic opportunities. This includes mandatory salary increases, promotion and tenure compensation adjustments, safety and security, contractual escalators, technology infrastructure support, and the operating and maintenance of new facilities coming online.

In advance of the pending merger with Jefferson College of Health Sciences (JCHS), funding for operational support is included in the proposed budget. As was requested for 2019-20, the budget proposal includes appropriation of \$20.6 million in non-general fund and \$1.7 million in general fund support to operate Radford University Carilion. The funds are to provide operating support for the newly acquired activities and to maintain student affordability at current levels. HB2181 granted authority to establish Radford University Carilion – formerly the Roanoke Division – (§ 23.1-2104) and was signed by the Governor on February 19, 2019.

The University's total enrollment is anticipated to improve slightly over the next four years. While the University continues to do well in recruiting, in spite of flat high school graduation rates, competition for in-state undergraduate students has become progressively more competitive. Diversifying program offerings with the investment in Competency Based Education and the pending merger with JCHS offers unique opportunities for growth. Projections will continue to

be monitored over the summer as potential students finalize their selections, and actual enrollments will not be confirmed until the Fall 2019 census.

Based on the aforementioned legislative, economic, and enrollment related factors for the 2019-20 fiscal year, tuition is not proposed to increase for in-state or out-of-state undergraduates or graduates. Mandatory fees are recommended to increase \$140 (or 4.33%) and room and board charges are recommended to increase \$233 (or 2.45%). This recommendation represents a prudent funding approach for the University for 2019-20.

Authority for Setting Tuition and Fees:

The current tuition policies identified in the 2018 Acts of Assembly, Chapter 2, Section 4-2.01.b (Higher Education Tuition and Fees) state:

2. a) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all resident student groups based on, but not limited to, competitive market rates, provided that the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in this act.

b) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all nonresident student groups based on, but not limited to, competitive market rates, provided that: i) the tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate students cover at least 100 percent of the average cost of their education, as calculated through base adequacy guidelines adopted, and periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies, and ii) the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in this act.

8. a) Except as provided in Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly, mandatory fees for purposes other than educational and general programs shall not be increased for Virginia undergraduates beyond five percent annually, excluding requirements for wage, salary, and fringe benefit increases, authorized by the General Assembly. Fee increases required to carry out actions that respond to mandates of federal agencies are also exempt from this provision, provided that a report on the purposes of the amount of the fee increase is submitted to the Chairmen of the House Appropriations and Senate Finance Committees by the institution of higher education at least 30 days prior to the effective date of the fee increase.

b) This restriction shall not apply in the following instances: fee increases directly related to capital projects authorized by the General Assembly; fee increases to support student health services; and other fee increases specifically authorized by the General Assembly.

Additionally, in accordance with Section 23.1 – 307 (D) public institutions of higher education are required to give at least 30 days advanced public notice of any vote by the Board to increase undergraduate tuition or mandatory fees:

D. No governing board of any public institution of higher education shall approve an increase in undergraduate tuition or mandatory fees without providing students and the public a projected range of the planned increase, an explanation of the need for the increase, and notice of the date and location of any vote on such increase at least 30 days prior to such vote.

As an additional reference, a historical summary of tuition and fee policy trends is outlined in the State Council of Higher Education for Virginia’s (SCHEV) 2018-19 Tuition and Fees at Virginia’s State-Supported Colleges and Universities annual report dated August 2018.

<http://schev.edu/docs/default-source/Reports-and-Studies/2018-reports/2018-19t-freportfinal.pdf>

Development of Proposed Tuition and Fee Rates:

The proposed tuition and fee recommendations consider the legislative requirements outlined above, the University’s Strategic Plan: *Embracing the Tradition and Envisioning the Future*, projected enrollment, the 2018-20 amended biennial budget proposals, mandatory cost drivers, programmatic directives, and the overall economic outlook.

On April 10, 2019, in accordance with Section 23.1 – 307(D) of the Code of Virginia, a 30-day public notification was issued for undergraduate tuition and mandatory fees. The institution proposed not to increase tuition rates for the 2019-20 academic year. The current biennial state budget provides additional funding for public colleges and universities to freeze tuition rates for in-state, undergraduate students. The recommendation to the Board of Visitors is to accept the \$1.7 million allocation attributed to Radford University. The Board of Visitors will however consider a rate increase between 3.00 and 5.95 percent in comprehensive fees for all students. If approved, the additional support generated from state appropriations, will be used to address personnel costs, state mandated items, student financial assistance, and institutional initiatives.

The following depicts the process used to derive the 2019-20 tuition and fee recommendations and outlines the impact of each variable as it relates to the specific recommendation. Please refer to Schedule A for a summary of the necessary resource outlay for 2019-20.

Educational & General (E&G) Program:

University Strategic Plan: “*Embracing the Tradition and Envisioning the Future*”

Following last year’s adoption by the Board of Visitors, Radford University has a renewed strategic direction for 2018–2023: *Embracing the Tradition and Envisioning the Future*. The goals identified within the five-year plan reflect not only the institution of Radford University but those it proudly serves; including our students, faculty, staff, alumni, and community. The plan is expected to chart the course for ongoing strategic action and will focus its efforts on serving both current and future generations of Highlanders.

The 2019-20 budget development cycle seeks to align divisional priorities with the efforts identified in the strategic plan. A comprehensive list of strategic goals within focus areas include items such as: Academic Excellence & Research, Brand Identity, Economic Development & Community Partnerships, Philanthropic Giving & Alumni Engagement, Strategic Enrollment Growth, and Student Success. Only those initiatives that aligned were considered during the current budget cycle. These strategic areas will continue to be a point of fiscal relevance through the coming years.

Six-Year Planning Processes and 2019-20 Budget Development

The Virginia Higher Education Opportunity Act of 2011 (TJ21) was passed by the 2011 General Assembly and is based on recommendations from the Governor's Commission on Higher Education Reform, Innovation and Investment formed through Executive Order No. 9 issued in March 2010. The TJ21 legislation requires institutions of higher education to prepare and submit a "Six-Year Plan" by July 1st each year in accordance with criteria outlined by the Higher Education Advisory Committee (HEAC). This landmark legislation also codifies a funding framework for higher education and identifies specific goals such as 100,000 new undergraduate degrees by 2025, increased retention and degree completion, optimal year-round utilization of resources, and investments in STEM-H programs.

As an integral part of the six-year planning process, the University's internal annual budget development cycle provides the opportunity to reevaluate the essential needs for the upcoming fiscal year and outline divisional priorities for the outlying years. The budget development review engages key personnel and provides a consistent mechanism to prioritize funding requests and strategically aligns the institution's long-range goals with projected resources.

The University submitted updates to the 2018-20 Six-Year Plan to SCHEV this fiscal year. The University will be required to submit the initial 2020-22 plan to SCHEV by July 1, 2019. The University's Six-Year Plan identifies the targeted objectives and strategies to achieve both state and institutional goals and provides a foundation for preparing tuition and mandatory fee recommendations for consideration by the Board of Visitors.

Enrollment Trend

In recent history, Radford University has experienced enrollment gains in total student population. Between 2009-10 and 2013-14 the University enrollment increased by 1,050 students. However, since 2014-15, enrollment outcomes have begun to stabilize. Enrollment for 2019-20 is conservatively projected in line with prior year levels; a prudent decision given the challenges of the current landscape. Enrollment projections for Radford University Carilion were estimated to be slightly lower than what JCHS experienced in 2018-19 as a conservative estimate in the first year post-merger.

Radford University is very reliant upon state general fund support due to the significant number of in-state undergraduate students served (93 percent as of Fall 2018). SCHEV's calculation identifies that the University's E&G program should be funded 62 percent from state general fund

support and 38 percent through institutional nongeneral fund sources (i.e. tuition, E&G fees, etc.). However, SCHEV's most recent calculation reflects an inversion with Radford University funding 61 percent from institutional nongeneral fund sources and 39 percent from state general funds.

Mandatory Cost Increases

2019 General Assembly Session Action –

As previously mentioned, the 2019 General Assembly Session was largely focused on long-term fiduciary stability of the Commonwealth. The economy is currently stable and growing, yet there is a need to protect against future financial hardships. The recommended investments position Virginia for the future and enhances the ability to keep pace with a changing landscape. The final outcome of the 2018-20 Amended Executive Budget is not yet known, but it is expected the details on a final budget will emerge in the coming weeks.

Due to a surplus in state revenue, the proposal by the Virginia General Assembly, which is pending final signature by Governor Northam, provides an additional \$53 million in base funding for 2019-20 to assist with in-state undergraduate affordability through the Tuition Moderation initiative. Institutions are allocated a specific amount based on several factors as submitted in their institutions six-year plans. Radford University's share is anticipated to be \$1.7 million. This requires public colleges and universities to freeze tuition for in-state undergraduates. The additional funds will help to mitigate unavoidable cost increases in the upcoming fiscal year.

The proposed budget also includes an increase in the previously approved across-the-board salary adjustment for classified staff from 2.00 percent to 2.75 percent and for faculty from 2.00 percent to 3.00 percent, both effective June 10, 2019. Also, for classified staff, an increase in merit raises from 2.00 percent to 2.25 percent is proposed. The general fund contribution for Radford University is expected to be \$1.6 million. This will help offset the increase in salary expenditures.

The proposed budget includes \$15.5 million of additional need-based financial aid for public institutions of higher education. Of which, \$628,345 is earmarked for additional support to Radford University in 2019-20. This additional funding is incremental to the \$365,861 in additional funding already included for 2019-20 as part of last year's legislative session. Therefore, a collective \$994,206 in general fund student financial aid could be expected for fiscal year 2020.

The following schedule reflects the anticipated funding from the 2019 General Assembly Session providing additional general fund support for the University in 2019-20:

2019 General Assembly Funding Summary:

	Proposed 2019-20 Funding
E&G - Educational & General	
2019-20 Degree Production Initiative	\$1,028,460
2019-20 Employee Salary Increase	1,632,408
2019-20 Fringe Rate Changes (*)	11,544
2019-20 Central System & Other Charges	789
2019-20 Tuition Moderation	1,659,000
Total E&G General Fund Recommendations	\$4,332,201
SFA - Student Financial Assistance	
2019-20 In-State Undergraduate Financial Aid	628,345
Total E&G and SFA (combined) General Fund	\$4,960,546

Notes:

(*) Central Appropriation amounts are not included in the University's line item appropriation. Instead they are held centrally by the state and allocated after the start of the fiscal year. For this reason estimates have been provided.

Other Mandatory Costs

In addition to the state mandated items, the University must also address teaching and research faculty promotion and tenure contractual commitments, operation and maintenance of new and existing facilities, contractual escalators for technology and maintenance contracts, escalating utilities, and committed costs for previously approved projects. These initiatives, referred to as central cost commitments, combine to total \$3,975,581. For additional details, Schedule A provides a breakdown of the mandatory cost requirements.

Division Program Requirements

After an extensive review of division programmatic activities and requests that were submitted by each Vice President, \$485,944 in divisional initiatives were funded. The allocation of these resources are deemed necessary to fund the absolute highest priorities across each division and address the most critical of needs. In light of current cost pressures, it was deemed necessary to establish division-wide savings strategies from all operating divisions for 2019-20 totaling (\$2,707,450).

Out-of-State Tuition Outlook

For the last several years, out-of-state tuition rate increases have varied from the in-state increases because it was believed that the University was reaching a point of diminishing returns relative to out-of-state tuition rates exceeding 150 percent of actual cost of education. For 2019-20, the

University proposes to keep out-of-state tuition flat to prior year. This equitable approach will ensure a comparable dollar differential between in-state and out-of-state tuition when compared to the prior year. Out-of-state students are required to cover 100 percent of the calculated cost of education. The University's rates are within and exceed this requirement. The most recent SCHEV calculation (2018-19) indicated out-of-state students (undergraduate and graduates) were covering 141 percent of the average cost at Radford University (SCHEV July 2018 Agenda Book, page 71).

Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for further details on the proposed rates.

E&G Summary

Taking all of the above into consideration, the following represents the major factors considered in the proposed 2019-20 tuition rates by respective full-time student classification. The proposed recommendation considers (1) acceptance of the Tuition Moderation funding, (2) mandatory cost increases for salaries, (3) the implantation of the University's strategic plan, (4) state guidelines outlined in the six-year plan, and (5) essential programmatic needs of the University to sustain critical instructional support and student services.

Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for the proposed rates. Part-time tuition rates are derived from the respective full-time tuition rate and can also be referenced in the Summary of Tuition and Fees for 2019-20.

Virginia Educator Tuition Rates:

The Virginia Educator rate is a reduced tuition rate for Virginia elementary and secondary school personnel, regardless of residency status, and assists with maintaining certification and supporting continued improvement in the quality of education provided to the citizens of the Commonwealth. This policy was implemented by the University in recognition of the importance for Virginia educators to enhance their professional knowledge and skills through recertification.

To be eligible for the reduced tuition rate, educators (including teachers, administrators, counselors, librarians, coaches, and other instructional support staff) must be a full-time contractual employee in a K-12 public or private school in the Commonwealth of Virginia. The courses must be for professional development (e.g. graduate degree, additional endorsements, or for re-licensure), not for planned career changes outside of education. Students pay approximately 77 percent of the approved standard in-state graduate per credit hour tuition rate.

Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for the proposed rate.

Differential Tuition Rates:

Differential tuition is recommended for specialized, high-demand, and/or costly programs. The current programs approved to charge differential tuition rates include: Master of Occupational

Therapy (MOT), Doctor of Nursing Practice (DNP), and Master of Fine Arts (MFA) in Design Thinking. Differential tuition was identified in the proposals submitted to the State Council for Higher Education (SCHEV) to support these programs.

Additionally, in 2019-20 Radford University will add its fourth professional doctoral degree; the Doctorate of Education (Ed.D). The University predominately serves an undergraduate community but maintains a select number of graduate programs to both complement and further the instructional mission. This expansion effort serves as a capstone program for the College of Education and Human Development. Students in the program will collaborate with school and community leaders to research, plan, implement, and evaluate responsive and innovative approaches to academic achievement. This program seeks to offer solutions to major problems facing many school districts and communities across the Commonwealth.

Consistent with the traditional tuition rate changes proposed for 2019-20, a tuition increase is not currently proposed for the differential tuition programs. The comprehensive and other applicable fees will be in addition to the per-credit-hour fee unless otherwise noted. Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for the proposed rate.

Radford Campus Full-Time Tuition Policy:

Currently Radford University employs a flat rate tuition model. The model is based on one flat rate for full-time students taking between 12 and 18 credit hours. In support of graduating within 4 years, students are encouraged to take at least 15 credit hours a semester. However, students are charged on a per credit hour basis for incremental consumption in excess of 18 credit hours. This is a common tuition model employed within higher education and the majority of four-year public institutions in the Commonwealth operating some variation of this model.

For the 2019-20 fiscal year, the University recommends modifying the flat rate to limit the rate structure to 16 credit hours. This will assist in the institution addressing the challenges associated with the current model and better align tuition costs with student credit hour consumption. Students will be incentivized to more actively manage their course loads to achieve the financial benefit offered by the flat rate. Radford University is committed to ensuring undergraduate students are able to complete their degree program in four years taking 15 credit hours per semester.

The University is expected to implement this policy change in the FY2019-20 academic year, beginning with Fall 2019.

Competency Based Education Rates:

During the 2017-18 academic year, Radford University initially piloted two certificate programs based on the competency-based education model: Cybersecurity and Geospatial Intelligence. The asynchronous curriculum of these programs grant students more control in completing requirements beyond the scope of the standard credit hour measurement. Students are required to achieve certain skills or competencies in a designated subject matter, regardless of time, before

they can complete the program. Therefore, it is an outcome, or competency, driven model that allows students the flexibility to manage program workloads at their desired pace.

Since it was instituted, Competency Based Education has become a fixture at the institution with increased interest in the IMPACT and ASSET programs. Both programs offer a non-traditional approach to education and have diversified the range of students enrolled at Radford University. Due to its recent successes, tuition rates are recommended to remain unchanged from prior year. While tuition is proposed at an annual rate, students will receive a pro-rated assessment on an ongoing six-month basis for as long as they are enrolled in the program. Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for the proposed rates.

Technology Fee:

A technology fee was first approved in 2010-11 to assist with covering increasing costs associated with supporting technology services provided to students. This fee facilitates standardized student software requirements, such as Microsoft Office and antivirus protection. It also supports the increased demand on the campus network infrastructure, incremental cost for the student enterprise system, and emerging classroom technologies.

Based upon current technology requirements the fee for 2019-20 is recommended to remain flat to prior year. Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for the proposed rate.

Online Program Fee:

In the fall of 2010, the University offered its first, fully online degree program with the Doctor of Nursing Practice (DNP). Programs offered wholly online require specialized technology support and infrastructure. The online program fee is used to assist with supporting hardware, software, network infrastructure, and technical personnel costs associated with administering online programs. In 2012-13, the Master of Fine Arts (MFA) in Design Thinking became the second program authorized to require the online program fee, with the Doctorate of Education (Ed.D) being added for 2019-20.

The online program fee is recommended to remain flat to prior year. Programs assessed the online program fee do not receive a comprehensive fee assessment. Additionally, this fee is not intended to be charged to individual courses taught through distance education or other online channels. Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for the proposed rate.

Out-of-State Capital Fee:

The 2003 General Assembly required the establishment of a capital fee to be assessed to all out-of-state students at institutions of higher education in Virginia. This is required to pay a portion of the debt service on bonds issued under the 21st Century Program. The out-of-state capital fee is proposed to remain unchanged. The General Assembly previously increased the per credit hour

fee in 2007, 2009, 2010, 2012, and 2017. Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document for the proposed rate.

Radford University Carilion:

Authority to Establish the Radford University Carilion; formerly the Roanoke Division:

In January 2018, Radford University announced its intent to merge the Jefferson College of Health Sciences into its family of colleges. The merger was initially expected to be complete in 18 to 24 months. In advance of the merger, a number of State approvals were required; one of which was the 2019 General Assembly. The proposed language was submitted in HB2181 and SB 1506. With its passage by the Governor on February 19, 2019, the bill was enacted into Chapter 60 of the Acts of Assembly.

In accordance with Section § 23.1 – 2104, Radford University is granted authority to establish Radford University Carilion (“Roanoke Division”). The Code of Virginia in Chapter 21 of Title 23.1 is amended as follows:

A. In recognition of the fact that maintaining an innovative academic health center in Roanoke addresses the increased health care training needs in the Commonwealth, the board may establish the Radford University-Roanoke Division (the Division) through the acquisition of Jefferson College of Health Sciences, a nonprofit private institution wholly owned and operated by Carilion Clinic.

B. Upon establishment of the Division, the board may (i) exercise the same powers with respect to the operation of the Division as are vested in the board regarding the University and (ii) offer at the Division all programs of instruction offered by Jefferson College of Health Sciences at the time of acquisition, including associate-degree programs. However, the board shall cease to offer such associate-degree programs at the Division when the Council, the nationally recognized regional accreditation body, and the programmatic accreditation body approve Virginia Western Community College to offer such associate-degree programs in the Roanoke region. Nothing in this section shall authorize the University to offer any other associate-degree programs in the Roanoke region.

C. Notwithstanding any other provision of law, the University may award merit-based and need-based institutional aid to students enrolled at the Division in a manner that is consistent with practices at the former Jefferson College of Health Sciences.

Regional accreditor approval is another critical component in finalizing the merger. The prospectus has been submitted to the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), the regional accrediting body for both Jefferson College of Health Sciences and Radford University. Pending approval, the merger will be completed within thirty days of a confirming vote. As such, the merger is slated for completion in mid-July with the first class enrolling in the Fall 2019 semester.

Radford University Carilion Tuition Rates:

In the first year of operations, Radford University Carilion will assume a tuition policy and rate structure similar to that previously employed by Jefferson College of Health Sciences. The approach is to adapt a student-centric strategy of consistency that will alleviate significant changes year-over-year as a result of the institutional merger. While differences do exist, students will be subject to the same or lower levels of costs for their education.

With the general assembly's support, the \$1.7 million in general funds in 2019-20 are to provide operating support and to maintain student affordability at current levels. An equivalent reduction in full-time in-state undergraduate tuition has been recommended. Therefore, total in-state undergraduate tuition and fees are to be reduced by \$2,699 annually (or -10.04%). Categorically, the traditional tuition rates will be separated into tuition, clinical site fees, and program fees. A Technology Fee is assessed as a flat rate per semester. This separation will allow for future cost mitigations and better align student price with cost to educate. Currently, there is no differentiation in out-of-state tuition rates.

Three undergraduate programs receive a differential tuition rate: Emergency Services, Medical Laboratory Science, and Nursing (RN-to-BSN). Each of the aforementioned programs will remain at prior year levels with no change in recommended tuition rates. Similarly, the rate will be divided into the classifications of tuition, clinical site fees, and program fees. A Technology Fee is assessed as a flat rate per semester.

Graduate rates, charged on a per credit hour basis, will remain flat at current year levels. Similarly, the rate will be divided into the classifications of tuition, clinical site fees, and program fees. A Technology Fee is assessed as a flat rate per semester.

Auxiliary Enterprises Program:

Comprehensive Fee

The comprehensive fee is used to support certain student services and programs and is paid by all enrolled students, except select fully online programs of study identified as exclusions. These auxiliary enterprise activities are required to be self-supporting and, as such, do not receive any state support. Therefore, they must also maintain sufficient fund balances to provide their own operating support, renewal and replacement of equipment, and capital reserves.

The recommended 4.33 percent increase in the comprehensive fee includes; 1.36 percent increase related to state mandated salary increases; 2.97 percent in non-mandatory items, such as maintenance and operating expenses, contract escalators, transit services, programmatic requirements, scholarships, and all associated indirect cost charges. The 2.97 percent increase for non-mandatory factors is within the 3.0 percent limit allowed in the State Appropriations Act.

Following is a description of each component of the comprehensive fee:

Athletics: The student fee supports the intercollegiate athletic program which includes athletic administration, intercollegiate varsity sports teams, travel, scholarships, operation and maintenance of facilities, auxiliary indirect cost, and equipment. This fee entitles students to free admission into all sporting events.

Auxiliary Building/Facilities: The student fee supports auxiliary operation and maintenance of facilities, facilities staff, maintenance reserve projects, leased properties, insurance, auxiliary indirect cost, and equipment.

Auxiliary Support: The student fee supports auxiliary support personnel, operations, and direct student cost associated with the student RU Express/I.D. office, technology support, photocopying services, and student wages.

Debt Service: The student fee supports debt service payments for auxiliary construction and renovation projections such as the Student Recreation and Wellness Center.

Recreation: The student fee supports the personnel, operations, maintenance, and equipment of all student recreation and intramural facilities and fields.

Student Activities: The student fee supports student programs, clubs, organizations, activities, and events for groups such as R-Space, Student Government Association, Greek Life, Student Organization Assistance and Resources (SOAR), LEAD Scholars Program, etc. Students can attend most events free of charge or at greatly reduced rates, depending on the type of event.

Student Health: The student fee supports general medical services provided by the Radford University Student Health Center, normal counseling services provided by Radford University Student Counseling Center, the Disability Resource Office (DRO), and educational and support services provided by the Substance Abuse and Violence Education Support (SAVES) Office.

Student Services: The student fee supports student professional development through career, advising, and other resource services.

Student Union: The student fee supports administrative and student personnel, operations, maintenance, programmatic events, and equipment for the Bonnie Hurlburt Student Center and Heth Hall meeting rooms.

Transportation: The student fee supports unlimited access to the Radford Transit bus service for enrolled Radford University students. Connections to other transit services (e.g. Smart Way Bus, Blacksburg Transit, etc.) may have separate user fees.

Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for the proposed rate.

Room Rates

In 2016-17, Radford University realigned room charges to better account for the diverse array of housing options available. This realignment eliminated the 'one-size-fits-all' approach to the standard room type, and the cost of the facilities are aligned with students who occupy those respective rooms. The proposed 2019-20 room rates are recommended to increase a proportional 2.00 percent across all categories. The increase is necessary to cover increased costs associated with scholarships, maintenance and operations, programmatic requirements, debt service payments, fringe benefit and health insurance rate adjustments, student support services, and all associated indirect cost charges.

In addition, the University has entered a lease arrangement on a number of new off-campus apartment buildings. Residential Life seeks to provide its students with an off-campus experience, yet continue to offer many of the same residential support services through the university. The apartments are structured by number of bed(s) per unit, ranging from 1 to 5 bed options, and whether the apartment has in-unit laundry or shared laundry services. The current pricing difference in laundry services equates to \$30 per bed per month. The rate reflects utilities, cable and internet and are favorable to market rates.

Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for further details on the proposed rates.

Board/Off-Campus Meal Plans

The proposed average 2019-20 board and off-campus meal plan rate increase of 3.00 percent is necessary to cover costs associated with the annual dining services contractual agreement and indirect cost charges. Students living on campus must select one of the residential board plans as part of their housing agreement. An off-campus non-residential student may elect to participate in any of the approved meal plan options.

Refer to the Summary of Tuition and Fees for 2019-20, Schedule B at the end of this document, for further details on the proposed rates.

Reference Material:

For reference, Schedule C is an excerpt from the 2018-19 Operating Budget Plan and Financial Overview which includes comparative charts and graphs of tuition and fees at Virginia's public four-year institutions of higher education. Radford University is a best value as one of the lowest total cost (tuition, fees, room and board) providers among Virginia's four-year public institutions.

Schedule A:
2019-20 Resource Allocation Analysis

	2019-20 Assumptions		2019-20 Assumptions
REVENUE		EXPENSES	
General Fund Changes		Non-Discretionary Cost Increases	
2019-20 Degree Production Initiative	\$ 1,028,460	Mandatory Costs	
2019-20 Employee Faculty Increase	1,099,279	Salary Adjustments	
2019-20 Employee Staff Salary Increase	533,129	2019-20 3.00% Faculty Increase June 10	\$ 1,832,132
2019-20 Fringe Rate Changes	11,544	2019-20 2.75% Staff Salary Increase June 10	512,865
2019-20 Central Systems Changes	789	2019-20 2.25% Add'l Staff Merit Increase June 10	375,683
2019-20 Tuition Moderation	1,659,000	Fringe Adjustments	
Total General Fund Changes	\$ 4,332,201	2019-20 Fringe Rate Changes	32,500
Nongeneral Fund Changes		Central Cost Commitments	
Non-General Fund Changes	\$ (3,372,576)	AA Promotion & Tenure	340,481
Scholarship Support	(255,550)	Student Success and Retention	294,500
Tuition Policy Changes	1,050,000	Degree Completion Initiatives	312,500
Total Nongeneral Fund Changes	\$ (2,578,126)	Utility Increase	94,000
Total Revenue Changes		Contracts & Compliance	180,920
	\$ 1,754,075	Sub-Total Central Commitments	\$ 3,975,581
		Division Recurring Requirements	
		Academic Affairs	354,785
		Central Administration	82,244
		University Relations	30,000
		University Advancement	18,915
		Sub-Total Division Requirements	\$ 485,944
		Total Non-Discretionary Cost Increases	
		\$ 4,461,525	
		Savings Strategies	
		Academic Affairs	\$ (817,788)
		Finance & Administration	(189,356)
		Information Technology	(104,073)
		Central Administration	(18,826)
		Student Affairs	(14,466)
		University Relations	(23,385)
		University Advancement	(36,523)
		Central Resources	(1,438,405)
		Enrollment Management	(64,628)
		Total Savings strategies	\$ (2,707,450)
		Total Savings Strategies	
		\$ (2,707,450)	
		Total Base Budget	
		\$ 1,754,075	
TOTAL SURPLUS/(DEFICIT)		\$ 0	

Schedule B:
Summary of Proposed 2019-20 Tuition and Fees

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Radford University				
Undergraduate ¹				
<u>In-state Undergraduate (full-time) –</u>				
Tuition	\$7,922	\$7,922	\$0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total In-state Undergraduate	\$11,210	\$11,350	\$140	1.25%
Room - Standard Double	5,281	5,387	106	2.01%
Board - 19 Meal Plan	4,229	4,356	127	3.00%
Total In-state Undergraduate Living in University Housing	\$20,720	\$21,093	\$373	1.80%
<u>Out-of-state Undergraduate (full-time) –</u>				
Tuition	\$19,557	\$19,557	\$0	0.00%
Mandatory Capital Fee	447	447	0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total Out-of-state Undergraduate	\$23,292	\$23,432	\$140	0.60%
Room - Standard Double	5,281	\$5,387	106	2.01%
Board - 19 Meal Plan	4,229	\$4,356	127	3.00%
Total Out-of-state Undergraduate Living in University Housing	\$32,802	\$33,175	\$373	1.14%

¹ Full-time tuition and fee rates are based on 12-16 credit hours.

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Graduate ¹				
<u>In-state Graduate (full-time) –</u>				
Tuition	\$8,915	\$8,915	\$0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total In-state Graduate	\$12,203	\$12,343	\$140	1.15%

<u>Out-of-State Graduate (full-time) –</u>				
Tuition	\$17,441	\$17,441	\$0	0.00%
Mandatory Capital Fee	447	447	0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total Out-of-state Graduate	\$21,176	\$21,316	\$140	0.66%

Differential Tuition & Fees

Master of Occupational Therapy (MOT) In-State (per credit hour)

Tuition	\$376	\$376	\$0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Comprehensive Fee ²	135	140	5	3.71%
Total In-state Graduate MOT	\$514	\$519	\$5	0.97%

Master of Occupational Therapy (MOT) Out-of-State (per credit hour)

Tuition	\$967	\$967	\$0	0.00%
Mandatory Capital Fee ²	19	19	0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Comprehensive Fee ²	135	140	5	3.71%
Total Out-of-state Graduate	\$1,124	\$1,129	\$5	0.45%

¹ Full-time tuition and fee rates are based on 12-16 credit hours.

² For applicable differential tuition programs, students enrolled in 12 to 16 credit hours will be assessed up to the annualized rate of \$1,685 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

	<u>Approved</u> <u>2018-19</u>	<u>Proposed</u> <u>2019-20</u>	<u>Dollar</u> <u>Increase</u>	<u>Percent</u> <u>Increase</u>
<u>Master of Fine Arts in Design Thinking In-State (per credit hour)</u>				
Tuition	\$744	\$744	\$0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Online Program Fee ³	25	25	0	0.00%
Total In-state Graduate DNP	\$772	\$772	\$0	0.00%

Master of Fine Arts in Design Thinking Out-of-State (per credit hour)

Tuition	\$744	\$744	\$0	0.00%
Mandatory Capital Fee ²	19	19	0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Online Program Fee ³	25	25	0	0.00%
Total Out-of-state Graduate DNP	\$791	\$791	\$0	0.00%

Doctor of Nursing Practice (DNP) In-State (per credit hour)

Tuition	\$504	\$504	\$0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Online Program Fee ³	25	25	0	0.00%
Total In-state Graduate DNP	\$532	\$532	\$0	0.00%

Doctor of Nursing Practice (DNP) Out-of-State (per credit hour)

Tuition	\$997	\$997	\$0	0.00%
Mandatory Capital Fee ²	19	19	0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Online Program Fee ³	25	25	0	0.00%
Total Out-of-state Graduate DNP	\$1,044	\$1,044	\$0	0.00%

² For applicable differential tuition programs, students enrolled in 12 to 16 credit hours will be assessed up to the annualized rate of \$1,685 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

³ The online program fee applies to select differential tuition programs that are offered fully online. This fee is assessed on a per credit hour basis in lieu of the comprehensive fee.

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Doctor of Physical Therapy (DPT) In-State (per credit hour)</u>				
Tuition	\$480	\$480	\$0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Comprehensive Fee ²	135	140	5	3.70%
Total In-state Graduate DPT	\$618	\$623	\$5	0.81%

<u>Doctor of Physical Therapy (DPT) Out-of-State (per credit hour)</u>				
Tuition	\$966	\$966	\$0	0.00%
Mandatory Capital Fee ²	19	19	0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Comprehensive Fee ²	135	140	5	3.70%
Total Out-of-state Graduate DPT	\$1,123	\$1,128	\$5	0.45%

<u>Doctor of Education (Ed.D) In-State (per credit hour)</u>				
Tuition	\$0	\$371	\$371	N/A
Program Fee	0	101	101	N/A
Mandatory Technology Fee ²	0	3	3	N/A
Mandatory Online Program Fee ³	0	25	25	N/A
Total In-state Graduate Ed.D	\$0	\$500	\$500	N/A

<u>Doctor of Education (Ed.D) Out-of-State (per credit hour)</u>				
Tuition	\$0	\$371	\$371	N/A
Program Fee	0	101	101	N/A
Mandatory Capital Fee ²	0	19	19	N/A
Mandatory Technology Fee ²	0	3	3	N/A
Mandatory Online Program Fee ³	0	25	25	N/A
Total Out-of-state Graduate Ed.D	\$0	\$519	\$519	N/A

² For applicable differential tuition programs, students enrolled in 12 to 16 credit hours will be assessed up to the annualized rate of \$1,685 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

³ The online program fee applies to select differential tuition programs that are offered fully online. This fee is assessed on a per credit hour basis in lieu of the comprehensive fee.

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Competency Based Education (CBE)</u>				
Tuition	\$6,000	\$6,000	\$0	0.00%
Total CBE Certificate	\$6,000	\$6,000	\$0	0.00%

Part-time and Intersession⁴ Rates

Tuition

Undergraduate

In-state	\$329	\$329	\$0	0.00%
Out-of-state	814	814	0	0.00%

Graduate

In-state	\$371	\$371	\$0	0.00%
Out-of-state	726	726	0	0.00%
In-state MOT	376	376	0	0.00%
Out-of-state MOT	967	967	0	0.00%
In-state MFA	744	744	0	0.00%
Out-of-state MFA	744	744	0	0.00%
In-state DNP	504	504	0	0.00%
Out-of-state DNP	997	997	0	0.00%
In-state DPT	480	480	0	0.00%
Out-of-state DPT	966	966	0	0.00%
In-state Ed.D	0	371	371	N/A
Out-of-state Ed.D	0	371	371	N/A
Virginia Educator	284	284	0	0.00%

Other Mandatory Fees

Technology Fee	\$3	\$3	\$0	0.00%
Out-of-state Capital Fee	19	19	0	0.00%
Online Program Fee	25	25	0	0.00%
Comprehensive Fee	135	140	5	3.71%

⁴ Summer III only - full-time students taking 12 to 16 credit hours are charged the annualized rate schedule.

	Approved 2018-19	Proposed 2019-20	Dollar Increase	Percent Increase
Comprehensive Fee				
Mandatory Comprehensive Fee				
Athletics	\$1,180	\$1,213	\$33	2.80%
Auxiliary Building/Facilities	263	265	2	0.76%
Auxiliary Support	216	232	16	7.41%
Debt Service	299	306	7	2.34%
Recreation	287	309	22	7.67%
Student Activities	127	148	21	16.54%
Student Health	342	353	11	3.22%
Student Services	90	97	7	7.78%
Student Union	296	305	9	3.04%
Transit	130	142	12	9.23%
Total Comprehensive Fee	\$3,230	\$3,370	\$140	4.33%

Fall & Spring Annual Room Rates⁵

Room				
Traditional Double	\$4,676	\$4,770	\$94	2.01%
Standard Double - Phase I	5,281	5,387	106	2.01%
Standard Double - Phase II	5,439	5,548	109	2.00%
Traditional Single	6,826	6,963	137	2.01%
Standard Single - Phase I	7,513	7,663	150	2.00%
Standard Single - Phase II	7,738	7,893	155	2.00%
Standard - Super Suite	5,711	5,825	114	2.00%
Deluxe - Super Suite	6,086	6,208	122	2.00%
University Apartment – 1 bed	0	N/A	0	N/A
University Apartment – 2 bed	0	7,140	7,140	N/A
University Apartment – 3 bed	0	6,780	6,780	N/A
University Apartment – 4 bed	0	6,420	6,420	N/A
University Apartment – 5 bed	0	6,060	6,060	N/A

	Approved 2018-19	Proposed 2019-20	Dollar Increase	Percent Increase
University Apartment – 1 bed (incl. laundry)	0	7,860	7,860	N/A
University Apartment – 2 bed (incl. laundry)	0	7,500	7,500	N/A
University Apartment – 3 bed (incl. laundry)	0	7,140	7,140	N/A
University Apartment – 4 bed (incl. laundry)	0	6,780	6,780	N/A
University Apartment – 5 bed (incl. laundry)	0	6,420	6,420	N/A

⁵ Notes:

- a) Double occupancy rooms which remain tripled after the census date will receive a weekly 25 percent prorated credit on their respective room rate.
- b) Summer rates are prorated based on the approved annualized rate for a standard room.
- c) University Apartment rates are charged on a per student/per bed basis.

Fall & Spring Annual Board & Meal Plan Rates⁶

Residential Board Plan

Flex Plan	\$4,102	\$4,225	\$123	3.00%
19 Meal Plan	4,229	4,356	127	3.00%
15 Meal Plan	4,114	4,237	123	2.99%
Apt Block	2,160	2,225	65	3.01%

Non-Residential Meal Plan (*optional*)

Flex Jr. Plan	\$2,074	\$2,136	\$62	2.99%
65 Meal Plan	1,034	1,065	31	3.00%
90 Meal Plan	1,431	1,474	43	3.00%
5 Meal Plan	1,523	1,569	46	3.02%

⁶ Notes:

- a) Summer rates are prorated on the approved annualized rate.
- b) Select board and meal plans may not be available each term.

	<u>JCHS 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
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Radford University Carilion

Undergraduate ⁷

In-state Undergraduate (full-time)

Tuition	\$26,416	\$7,922	(\$18,494)	-70.01%
Clinical Site Fee	0	6,000	6,000	N/A
Program Fee	0	9,795	9,795	N/A
Mandatory Technology Fee	470	470	0	0.00%
Total In-state Undergraduate	\$26,886	\$24,187	(\$2,699)	-10.04%

Out-of-state Undergraduate (full-time)

Tuition	\$26,416	\$7,922	(\$18,494)	-70.01%
Clinical Site Fee	0	6,000	6,000	N/A
Program Fee	0	9,795	9,795	N/A
Mandatory Technology Fee	470	470	0	0.00%
Total Out-of-state Undergraduate	\$26,886	\$24,187	(\$2,699)	-10.04%

⁷ Full-time tuition and fee rates are based on 12 – 18 credit hours.

Part-Time (Per Credit Hour) Rates ⁸

In-state Undergraduate (per credit hour)

Tuition	\$765	\$330	(\$435)	-56.86%
Clinical Site Fee	0	250	250	N/A
Program Fee	0	185	185	N/A
Total In-state Undergraduate	\$765	\$765	\$0	0.00%

Out-of-state Undergraduate (per credit hour)

Tuition	\$765	\$330	(\$435)	-56.86%
Clinical Site Fee	0	250	250	N/A
Program Fee	0	185	185	N/A
Total Out-of-state Undergraduate	\$765	\$765	\$0	0.00%

⁸ The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

	<u>JCHS 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
In-state Graduate (per credit hour)				
Tuition	\$795	\$371	(\$424)	-53.33%
Clinical Site Fee	0	250	250	N/A
Program Fee	0	174	174	N/A
Total In-state Graduate	\$795	\$795	\$0	0.00%
Out-of-state Graduate (per credit hour)				
Tuition	\$795	\$371	(\$424)	-53.33%
Clinical Site Fee	0	250	250	N/A
Program Fee	0	174	174	N/A
Total Out-of-state Graduate	\$795	\$795	\$0	0.00%

⁸ The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

Differential (Per Credit Hour) Rates ⁸

Emergency Services, BS

In-state Undergraduate (per credit hour)

Tuition	\$425	\$330	(\$95)	-22.35%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	95	95	N/A
Total In-state Emergency Service	\$425	\$425	\$0	0.00%

Out-of-state Undergraduate (per credit hour)

Tuition	\$425	\$330	(\$95)	-22.35%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	95	95	N/A
Total Out-of-state Emergency Service	\$425	\$425	\$0	0.00%

⁸ The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

	JCHS 2018-19	Proposed 2019-20	Dollar Increase	Percent Increase
<u>Medical Laboratory Science, BS</u>				
In-state Undergraduate (per credit hour)				
Tuition	\$425	\$330	(\$95)	-22.35%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	95	95	N/A
Total In-state Medical Laboratory Science	\$425	\$425	\$0	0.00%
Out-of-state Undergraduate (per credit hour)				
Tuition	\$425	\$330	(\$95)	-22.35%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	95	95	N/A
Total Out-of-state Medical Laboratory Science	\$425	\$425	\$0	0.00%
<u>Nursing, RN-to-BSN</u>				
In-state Undergraduate (per credit hour)				
Tuition	\$350	\$330	(\$20)	-5.71%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	20	20	N/A
Total In-state Nursing, RN-BSN	\$350	\$350	\$0	0.00%
Out-of-state Undergraduate (per credit hour)				
Tuition	\$350	\$330	(\$20)	-5.71%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	20	20	N/A
Total Out-of-state Nursing, RN-BSN	\$350	\$350	\$0	0.00%

⁹The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

Residential Room Rates

Standard Room – Fall & Spring	\$5,870	\$5,870	0	0.00%
Standard Room – Summer	1,500	1,500	0	0.00%

Schedule C:
2018-19 Operating Budget Plan and Financial Overview

2018-19 Tuition and Fees Overview

Source: 2018-19 Operating Budget Plan and Financial Overview

Students are charged tuition that supports the Educational & General (E&G) program and comprehensive, room, and board fees that support the Auxiliary Enterprises program.

Tuition: Radford University’s tuition, approved annually by the Radford University Board of Visitors, is divided into the following four major classifications:

- **In-state undergraduate**
- **Out-of-state undergraduate**
- **In-state graduate**
- **Out-of-state graduate**

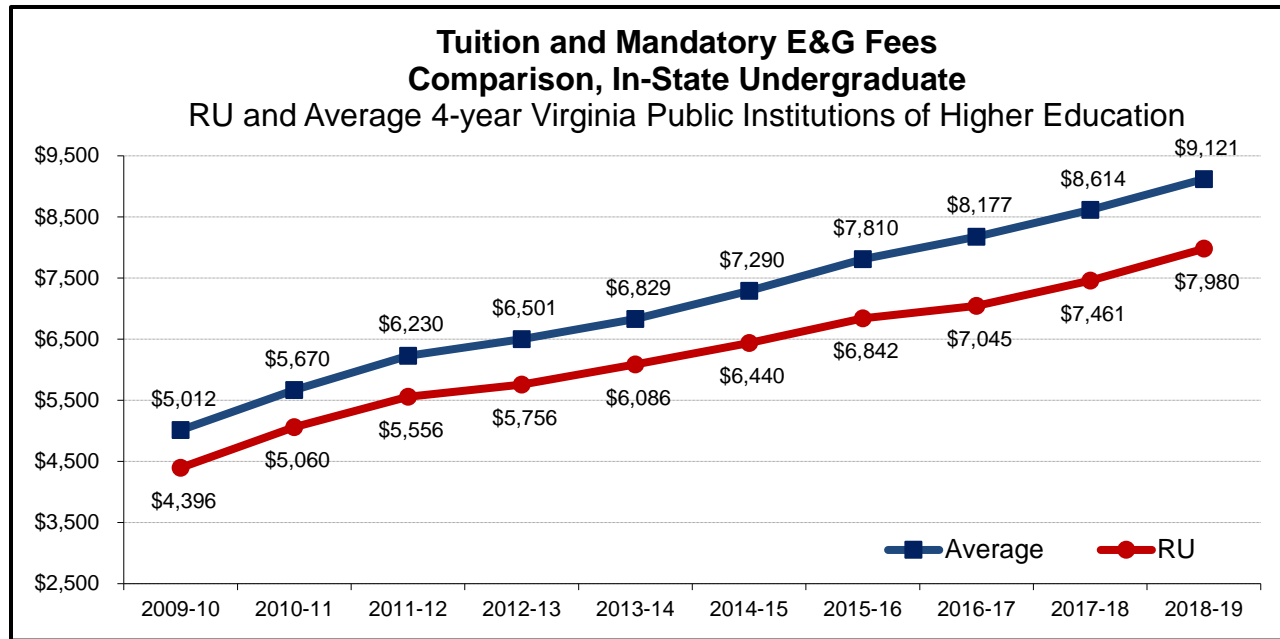
Radford University’s Tuition and Mandatory Fee rates from fiscal years 2015 through 2019 are:

Total Tuition and Mandatory E&G Fees								
In-State, Undergraduate Students								
Rank	Institution	FY15	FY16	FY17	FY18	FY19	\$ Change From FY18	% Change From FY18
1	College of William & Mary ¹	\$12,564	\$14,114	\$15,810	\$16,506	\$17,570	\$1,064	6.4%
2	University of Virginia ¹	\$10,932	\$12,347	\$13,515	\$13,810	\$14,148	\$338	2.4%
3	Virginia Commonwealth University ¹	\$10,356	\$10,719	\$10,989	\$11,483	\$12,247	\$764	6.7%
4	Virginia Tech	\$10,197	\$10,628	\$10,941	\$11,263	\$11,595	\$332	2.9%
5	Virginia Military Institute	\$7,498	\$8,136	\$8,461	\$8,884	\$9,284	\$400	4.5%
6	Christopher Newport University	\$6,962	\$7,642	\$7,870	\$8,270	\$9,100	\$830	10.0%
7	George Mason University	\$7,562	\$7,976	\$8,204	\$8,672	\$9,060	\$388	4.5%
8	University of Mary Washington	\$7,146	\$7,716	\$7,948	\$8,306	\$8,678	\$372	4.5%
9	Radford University	\$6,440	\$6,842	\$7,045	\$7,461	\$7,980	\$519	7.0%
10	Longwood University	\$6,930	\$7,170	\$7,350	\$7,620	\$7,940	\$320	4.2%
11	James Madison University ¹	\$5,406	\$5,724	\$5,896	\$6,250	\$7,250	\$1,000	16.0%
12	Old Dominion University	\$5,813	\$6,193	\$6,348	\$6,648	\$7,047	\$399	6.0%
13	Virginia State University	\$5,078	\$5,230	\$5,386	\$5,547	\$5,769	\$222	4.0%
14	Norfolk State University	\$4,536	\$5,162	\$5,318	\$5,478	\$5,752	\$274	5.0%
15	University of Virginia at Wise	\$5,012	\$5,210	\$5,369	\$5,529	\$5,694	\$165	3.0%
Average²		\$7,290	\$7,810	\$8,177	\$8,614	\$9,121	\$507	5.9%

¹ The institution adopted a new guaranteed tuition plan for incoming in-state undergraduates in 2013-14. The tuition charged in their freshman year is frozen for all four years of their undergraduate attendance.

² Weighted average as calculated by SCHEV in order to account for variable increases at CWM and VCU

Tuition and Mandatory Fees: The charts and graphs shown reflect a multi-year comparison of tuition and mandatory fees for in-state undergraduate students among the 15 four-year public institutions in Virginia. Radford University’s tuition and mandatory E&G fees for in-state undergraduate students for 2018-19 is **12.5 percent (\$1,141)** lower than the average tuition and mandatory E&G fees at the other Virginia four-year public institutions of higher education.

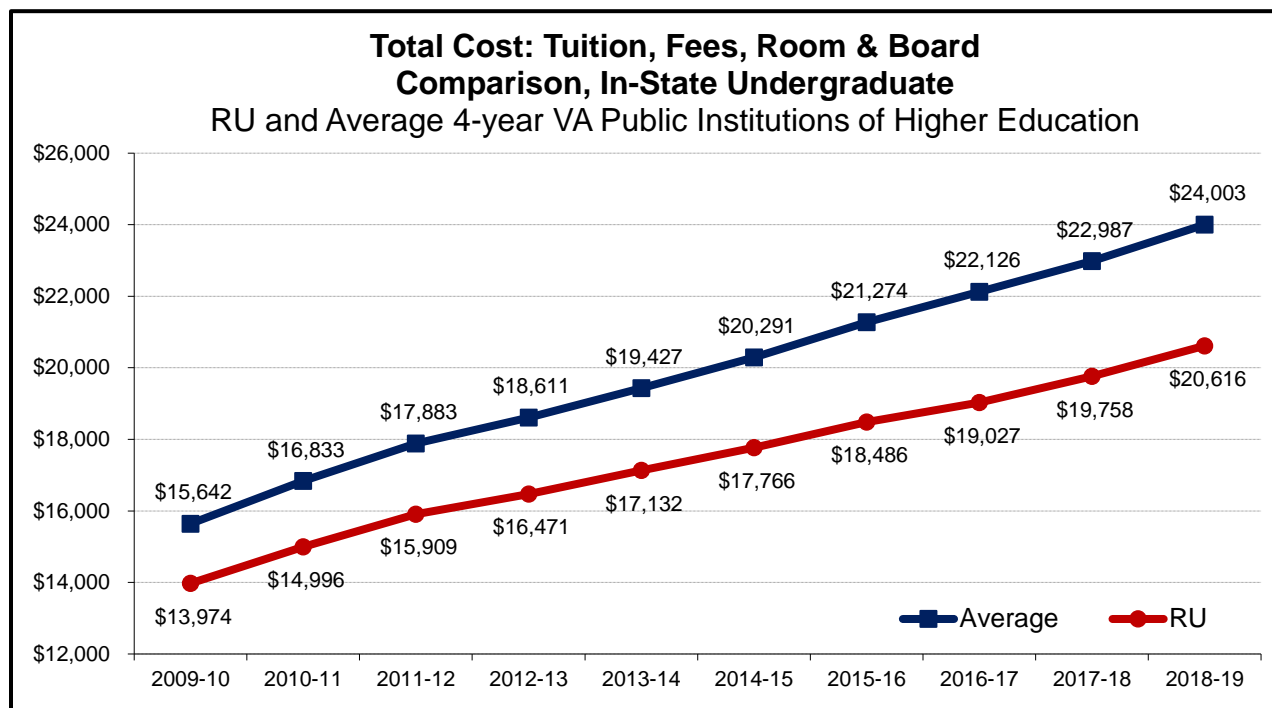


TOTAL PRICE (TUITION, MANDATORY FEES, ROOM AND BOARD)

The charts, graphs, and tables below display the total price for in-state undergraduate students compared to the state average and other Virginia four-year public colleges and universities.

For the 2018-19 academic year, Radford University’s total cost (tuition, mandatory fees, room and board) is **14.1 percent (or \$3,388)** lower than the average total cost at the other Virginia public four-year institutions of higher education.

In-State, Undergraduate Students	2018-19 State Average	2018-19 RU Total Cost	\$ RU Below Average	% RU Below Average
Tuition and Mandatory E&G Fees	\$9,121	\$7,980	(\$1,141)	-12.5%
Comprehensive Fee	4,250	3,230	(1,020)	-24.0%
Room & Board	10,633	9,406	(1,227)	-11.5%
Total	\$24,004	\$20,616	(\$3,388)	-14.1%



Total Tuition, Comprehensive Fees, Room & Board Fees In-State, Undergraduate Students								
Rank	Institution	FY15	FY16	FY17	FY18	FY19	\$ Change From FY18	% Change From FY18
1	College of William & Mary ¹	\$28,000	\$30,350	\$32,616	\$33,843	\$35,636	\$1,793	5.3%
2	Virginia Military Institute	\$23,890	\$25,202	\$26,460	\$27,450	\$28,344	\$894	3.3%
3	University of Virginia ¹	\$23,050	\$24,869	\$26,440	\$27,060	\$27,864	\$804	3.0%
4	Christopher Newport University	\$21,960	\$23,140	\$23,968	\$24,878	\$26,214	\$1,336	5.4%
5	Virginia Commonwealth University ¹	\$21,716	\$22,358	\$23,049	\$23,811	\$24,918	\$1,107	4.6%
6	Longwood University	\$20,836	\$21,468	\$22,184	\$23,138	\$24,366	\$1,228	5.3%
7	George Mason University	\$19,814	\$21,462	\$22,030	\$23,014	\$23,922	\$908	3.9%
8	University of Mary Washington	\$19,682	\$20,764	\$21,508	\$22,344	\$23,384	\$1,040	4.7%
9	Virginia Tech	\$19,941	\$20,711	\$21,276	\$21,920	\$22,554	\$634	2.9%
10	James Madison University ¹	\$18,858	\$19,462	\$20,118	\$20,990	\$22,528	\$1,538	7.3%
11	Old Dominion University	\$18,518	\$19,214	\$19,870	\$20,472	\$21,334	\$862	4.2%
12	Radford University	\$17,766	\$18,486	\$19,027	\$19,758	\$20,616	\$858	4.3%
13	University of Virginia at Wise	\$19,208	\$19,476	\$19,885	\$20,139	\$20,557	\$418	2.1%
14	Virginia State University	\$18,130	\$18,478	\$19,034	\$19,606	\$20,264	\$658	3.4%
15	Norfolk State University	\$16,176	\$17,336	\$18,228	\$18,902	\$19,850	\$948	5.0%
Average²		\$20,291	\$21,274	\$22,126	\$22,987	\$24,003	\$1,016	4.4%

¹ The institution adopted a new guaranteed tuition plan for incoming in-state undergraduates in 2013-14. The tuition charged in their freshman year is frozen for all four years of their undergraduate attendance.

² Weighted average as calculated by SCHEV in order to account for variable increases at C.M. and VCU

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
May 10, 2019

Approval of 2019-20 Tuition and Fees

NOW, THEREFORE, BE IT RESOLVED that the Radford University Board of Visitors approves tuition and fees for the 2019-20 academic year as reflected in the Summary of Proposed 2019-20 Tuition and Fees beginning with the Fall 2019 semester and thereafter until otherwise adjusted by the Board of Visitors.

Summary of Proposed 2019-20 Tuition and Fees

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Radford University				
Undergraduate ¹				
<u>In-state Undergraduate (full-time) –</u>				
Tuition	\$7,922	\$7,922	\$0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total In-state Undergraduate	\$11,210	\$11,350	\$140	1.25%
Room - Standard Double	5,281	5,387	106	2.01%
Board - 19 Meal Plan	4,229	4,356	127	3.00%
Total In-state Undergraduate Living in University Housing	\$20,720	\$21,093	\$373	1.80%
<u>Out-of-state Undergraduate (full-time) –</u>				
Tuition	\$19,557	\$19,557	\$0	0.00%
Mandatory Capital Fee	447	447	0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total Out-of-state Undergraduate	\$23,292	\$23,432	\$140	0.60%
Room - Standard Double	5,281	\$5,387	106	2.01%
Board - 19 Meal Plan	4,229	\$4,356	127	3.00%
Total Out-of-state Undergraduate Living in University Housing	\$32,802	\$33,175	\$373	1.14%

¹ Full-time tuition and fee rates are based on 12-16 credit hours.

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Graduate ¹				
<u>In-state Graduate (full-time) –</u>				
Tuition	\$8,915	\$8,915	\$0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total In-state Graduate	\$12,203	\$12,343	\$140	1.15%

<u>Out-of-State Graduate (full-time) –</u>				
Tuition	\$17,441	\$17,441	\$0	0.00%
Mandatory Capital Fee	447	447	0	0.00%
Mandatory Technology Fee	58	58	0	0.00%
Mandatory Comprehensive Fee	3,230	3,370	140	4.33%
Total Out-of-state Graduate	\$21,176	\$21,316	\$140	0.66%

Differential Tuition & Fees

Master of Occupational Therapy (MOT) In-State (per credit hour)

Tuition	\$376	\$376	\$0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Comprehensive Fee ²	135	140	5	3.71%
Total In-state Graduate MOT	\$514	\$519	\$5	0.97%

Master of Occupational Therapy (MOT) Out-of-State (per credit hour)

Tuition	\$967	\$967	\$0	0.00%
Mandatory Capital Fee ²	19	19	0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Comprehensive Fee ²	135	140	5	3.71%
Total Out-of-state Graduate	\$1,124	\$1,129	\$5	0.45%

¹ Full-time tuition and fee rates are based on 12-16 credit hours.

² For applicable differential tuition programs, students enrolled in 12 to 16 credit hours will be assessed up to the annualized rate of \$1,685 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

	<u>Approved</u> <u>2018-19</u>	<u>Proposed</u> <u>2019-20</u>	<u>Dollar</u> <u>Increase</u>	<u>Percent</u> <u>Increase</u>
<u>Master of Fine Arts in Design Thinking In-State (per credit hour)</u>				
Tuition	\$744	\$744	\$0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Online Program Fee ³	25	25	0	0.00%
Total In-state Graduate DNP	<u>\$772</u>	<u>\$772</u>	<u>\$0</u>	<u>0.00%</u>

Master of Fine Arts in Design Thinking Out-of-State (per credit hour)

Tuition	\$744	\$744	\$0	0.00%
Mandatory Capital Fee ²	19	19	0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Online Program Fee ³	25	25	0	0.00%
Total Out-of-state Graduate DNP	<u>\$791</u>	<u>\$791</u>	<u>\$0</u>	<u>0.00%</u>

Doctor of Nursing Practice (DNP) In-State (per credit hour)

Tuition	\$504	\$504	\$0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Online Program Fee ³	25	25	0	0.00%
Total In-state Graduate DNP	<u>\$532</u>	<u>\$532</u>	<u>\$0</u>	<u>0.00%</u>

Doctor of Nursing Practice (DNP) Out-of-State (per credit hour)

Tuition	\$997	\$997	\$0	0.00%
Mandatory Capital Fee ²	19	19	0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Online Program Fee ³	25	25	0	0.00%
Total Out-of-state Graduate DNP	<u>\$1,044</u>	<u>\$1,044</u>	<u>\$0</u>	<u>0.00%</u>

² For applicable differential tuition programs, students enrolled in 12 to 16 credit hours will be assessed up to the annualized rate of \$1,685 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

³ The online program fee applies to select differential tuition programs that are offered fully online. This fee is assessed on a per credit hour basis in lieu of the comprehensive fee.

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Doctor of Physical Therapy (DPT) In-State (per credit hour)</u>				
Tuition	\$480	\$480	\$0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Comprehensive Fee ²	135	140	5	3.70%
Total In-state Graduate DPT	\$618	\$623	\$5	0.81%

<u>Doctor of Physical Therapy (DPT) Out-of-State (per credit hour)</u>				
Tuition	\$966	\$966	\$0	0.00%
Mandatory Capital Fee ²	19	19	0	0.00%
Mandatory Technology Fee ²	3	3	0	0.00%
Mandatory Comprehensive Fee ²	135	140	5	3.70%
Total Out-of-state Graduate DPT	\$1,123	\$1,128	\$5	0.45%

<u>Doctor of Education (Ed.D) In-State (per credit hour)</u>				
Tuition	\$0	\$371	\$472	N/A
Program Fee	0	101	101	N/A
Mandatory Technology Fee ²	0	3	3	N/A
Mandatory Online Program Fee ³	0	25	25	N/A
Total In-state Graduate Ed.D	\$0	\$500	\$500	N/A

<u>Doctor of Education (Ed.D) Out-of-State (per credit hour)</u>				
Tuition	\$0	\$371	\$472	N/A
Program Fee	0	101	101	N/A
Mandatory Capital Fee ²	0	19	19	N/A
Mandatory Technology Fee ²	0	3	3	N/A
Mandatory Online Program Fee ³	0	25	25	N/A
Total Out-of-state Graduate Ed.D	\$0	\$519	\$519	N/A

² For applicable differential tuition programs, students enrolled in 12 to 16 credit hours will be assessed up to the annualized rate of \$1,685 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

³ The online program fee applies to select differential tuition programs that are offered fully online. This fee is assessed on a per credit hour basis in lieu of the comprehensive fee.

	<u>Approved 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Competency Based Education (CBE)</u>				
Tuition	\$6,000	\$6,000	\$0	0.00%
Total CBE Certificate	\$6,000	\$6,000	\$0	0.00%

Part-time and Intersession⁴ Rates

Tuition

Undergraduate

In-state	\$329	\$329	\$0	0.00%
Out-of-state	814	814	0	0.00%

Graduate

In-state	\$371	\$371	\$0	0.00%
Out-of-state	726	726	0	0.00%
In-state MOT	376	376	0	0.00%
Out-of-state MOT	967	967	0	0.00%
In-state MFA	744	744	0	0.00%
Out-of-state MFA	744	744	0	0.00%
In-state DNP	504	504	0	0.00%
Out-of-state DNP	997	997	0	0.00%
In-state DPT	480	480	0	0.00%
Out-of-state DPT	966	966	0	0.00%
In-state Ed.D	0	371	371	N/A
Out-of-state Ed.D	0	371	371	N/A
Virginia Educator	284	284	0	0.00%

Other Mandatory Fees

Technology Fee	\$3	\$3	\$0	0.00%
Out-of-state Capital Fee	19	19	0	0.00%
Online Program Fee	25	25	0	0.00%
Comprehensive Fee	135	140	5	3.71%

⁴ Summer III only - full-time students taking 12 to 16 credit hours are charged the annualized rate schedule.

	Approved 2018-19	Proposed 2019-20	Dollar Increase	Percent Increase
Comprehensive Fee				
Mandatory Comprehensive Fee				
Athletics	\$1,180	\$1,213	\$33	2.80%
Auxiliary Building/Facilities	263	265	2	0.76%
Auxiliary Support	216	232	16	7.41%
Debt Service	299	306	7	2.34%
Recreation	287	309	22	7.67%
Student Activities	127	148	21	16.54%
Student Health	342	353	11	3.22%
Student Services	90	97	7	7.78%
Student Union	296	305	9	3.04%
Transit	130	142	12	9.23%
Total Comprehensive Fee	\$3,230	\$3,370	\$140	4.33%

Fall & Spring Annual Room Rates⁵

Room				
Traditional Double	\$4,676	\$4,770	\$94	2.01%
Standard Double - Phase I	5,281	5,387	106	2.01%
Standard Double - Phase II	5,439	5,548	109	2.00%
Traditional Single	6,826	6,963	137	2.01%
Standard Single - Phase I	7,513	7,663	150	2.00%
Standard Single - Phase II	7,738	7,893	155	2.00%
Standard - Super Suite	5,711	5,825	114	2.00%
Deluxe - Super Suite	6,086	6,208	122	2.00%
University Apartment – 1 bed	0	N/A	0	N/A
University Apartment – 2 bed	0	7,140	7,140	N/A
University Apartment – 3 bed	0	6,780	6,780	N/A
University Apartment – 4 bed	0	6,420	6,420	N/A
University Apartment – 5 bed	0	6,060	6,060	N/A

	Approved 2018-19	Proposed 2019-20	Dollar Increase	Percent Increase
University Apartment – 1 bed (incl. laundry)	0	7,860	7,860	N/A
University Apartment – 2 bed (incl. laundry)	0	7,500	7,500	N/A
University Apartment – 3 bed (incl. laundry)	0	7,140	7,140	N/A
University Apartment – 4 bed (incl. laundry)	0	6,780	6,780	N/A
University Apartment – 5 bed (incl. laundry)	0	6,420	6,420	N/A

⁵ Notes:

- a) Double occupancy rooms which remain tripled after the census date will receive a weekly 25 percent prorated credit on their respective room rate.
- b) Summer rates are prorated based on the approved annualized rate for a standard room.
- c) University Apartment rates are charged on a per student/per bed basis.

Fall & Spring Annual Board & Meal Plan Rates⁶

Residential Board Plan

Flex Plan	\$4,102	\$4,225	\$123	3.00%
19 Meal Plan	4,229	4,356	127	3.00%
15 Meal Plan	4,114	4,237	123	2.99%
Apt Block	2,160	2,225	65	3.01%

Non-Residential Meal Plan (*optional*)

Flex Jr. Plan	\$2,074	\$2,136	\$62	2.99%
65 Meal Plan	1,034	1,065	31	3.00%
90 Meal Plan	1,431	1,474	43	3.00%
5 Meal Plan	1,523	1,569	46	3.02%

⁶ Notes:

- a) Summer rates are prorated on the approved annualized rate.
- b) Select board and meal plans may not be available each term.

	<u>JCHS</u> <u>2018-19</u>	<u>Proposed</u> <u>2019-20</u>	<u>Dollar</u> <u>Increase</u>	<u>Percent</u> <u>Increase</u>
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Radford University Carilion

Undergraduate ⁷

In-state Undergraduate (full-time)

Tuition	\$26,416	\$7,922	(\$18,494)	-70.01%
Clinical Site Fee	0	6,000	6,000	N/A
Program Fee	0	9,795	9,795	N/A
Mandatory Technology Fee	470	470	0	0.00%
Total In-state Undergraduate	\$26,886	\$24,187	(\$2,699)	-10.04%

Out-of-state Undergraduate (full-time)

Tuition	\$26,416	\$7,922	(\$18,494)	-70.01%
Clinical Site Fee	0	6,000	6,000	N/A
Program Fee	0	9,795	9,795	N/A
Mandatory Technology Fee	470	470	0	0.00%
Total Out-of-state Undergraduate	\$26,886	\$24,187	(\$2,699)	-10.04%

⁷ Full-time tuition and fee rates are based on 12 – 18 credit hours.

Part-Time (Per Credit Hour) Rates ⁸

In-state Undergraduate (per credit hour)

Tuition	\$765	\$330	(\$435)	-56.86%
Clinical Site Fee	0	250	250	N/A
Program Fee	0	185	185	N/A
Total In-state Undergraduate	\$765	\$765	\$0	0.00%

Out-of-state Undergraduate (per credit hour)

Tuition	\$765	\$330	(\$435)	-56.86%
Clinical Site Fee	0	250	250	N/A
Program Fee	0	185	185	N/A
Total Out-of-state Undergraduate	\$765	\$765	\$0	0.00%

⁸ The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

	<u>JCHS 2018-19</u>	<u>Proposed 2019-20</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
In-state Graduate (per credit hour)				
Tuition	\$795	\$371	(\$424)	-53.33%
Clinical Site Fee	0	250	250	N/A
Program Fee	0	174	174	N/A
Total In-state Graduate	\$795	\$795	\$0	0.00%
Out-of-state Graduate (per credit hour)				
Tuition	\$795	\$371	(\$424)	-53.33%
Clinical Site Fee	0	250	250	N/A
Program Fee	0	174	174	N/A
Total Out-of-state Graduate	\$795	\$795	\$0	0.00%

⁸ The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

Differential (Per Credit Hour) Rates ⁸

Emergency Services, BS

In-state Undergraduate (per credit hour)

Tuition	\$425	\$330	(\$95)	-22.35%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	95	95	N/A
Total In-state Emergency Service	\$425	\$425	\$0	0.00%

Out-of-state Undergraduate (per credit hour)

Tuition	\$425	\$330	(\$95)	-22.35%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	95	95	N/A
Total Out-of-state Emergency Service	\$425	\$425	\$0	0.00%

⁸ The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

	JCHS 2018-19	Proposed 2019-20	Dollar Increase	Percent Increase
<u>Medical Laboratory Science, BS</u>				
In-state Undergraduate (per credit hour)				
Tuition	\$425	\$330	(\$95)	-22.35%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	95	95	N/A
Total In-state Medical Laboratory Science	\$425	\$425	\$0	0.00%
Out-of-state Undergraduate (per credit hour)				
Tuition	\$425	\$330	(\$95)	-22.35%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	95	95	N/A
Total Out-of-state Medical Laboratory Science	\$425	\$425	\$0	0.00%
<u>Nursing, RN-to-BSN</u>				
In-state Undergraduate (per credit hour)				
Tuition	\$350	\$330	(\$20)	-5.71%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	20	20	N/A
Total In-state Nursing, RN-BSN	\$350	\$350	\$0	0.00%
Out-of-state Undergraduate (per credit hour)				
Tuition	\$350	\$330	(\$20)	-5.71%
Clinical Site Fee	0	0	0	0.00%
Program Fee	0	20	20	N/A
Total Out-of-state Nursing, RN-BSN	\$350	\$350	\$0	0.00%

⁹The Technology Fee is assessed at a flat rate of \$235 per semester and no per credit hour equivalent is assigned.

Residential Room Rates

Standard Room – Fall & Spring	\$5,870	\$5,870	0	0.00%
Standard Room – Summer	1,500	1,500	0	0.00%

February 2019 Minutes

RADFORD UNIVERSITY

Board of Visitors

RADFORD UNIVERSITY

Board of Visitors

**BUSINESS AFFAIRS AND AUDIT COMMITTEE MEETING
1:30 P.M.
FEBRUARY 7, 2019
MARY ANN JENNINGS HOVIS MEMORIAL BOARD ROOM
THIRD FLOOR, MARTIN HALL, RADFORD, VA**

**DRAFT
MINUTES**

COMMITTEE MEMBERS PRESENT

Mr. Gregory A. Burton, Chair
Dr. Susan Whealler Johnston
Mr. James R. Kibler
Mr. Randy J. Marcus
Dr. Debra K. McMahan
Ms. Nancy A. Rice

COMMITTEE MEMBERS ABSENT

Dr. Jay A. Brown, Vice Chair

BOARD MEMBERS PRESENT

Mr. Mark S. Lawrence, Rector
Mr. Robert A. Archer, Vice Rector
Dr. Thomas Brewster
Ms. Krisha Chachra
Dr. Rachel D. Fowlkes
Ms. Georgia Anne Snyder-Falkinham
Ms. Lisa Throckmorton, joined at 1:40 p.m.
Ms. Myriah Brooks, Student Representative (Non-voting Advisory Member)

OTHERS PRESENT:

Dr. Brian O. Hemphill, President
Ms. Sharon Barrett, University Budget Director
Mr. Zachary Borgerding, Auditor of Public Accounts
Mr. Mike Biscotte, Director of Facilities Planning and Construction
Ms. Karen Castele, Secretary to the Board of Visitors and Special Assistant to the President
Mr. Jorge Coartney, Assistant Vice President for Facilities Management
Dr. Kenna Colley, Interim Provost and Vice President for Academic Affairs
Mr. Grady DeVilbiss, Director of Emergency Management
Ms. Meghan Finney, Auditor of Public Accounts
Mr. Matt Holm, Auditor of Public Accounts
Ms. Stephanie Jennelle, Associate Vice President for Finance and University Controller

Mr. Danny M. Kemp, Vice President for Information Technology and Chief Information Officer
Dr. Erik Lovik, Director of Institutional Research
Ms. Kitty McCarthy, Vice President for Enrollment Management
Ms. Margaret McManus, University Auditor
Mr. James Perkins, Director of University Services
Mr. Chad A. Reed, Vice President for Finance and Administration and Chief Financial Officer
Mr. John Sanders, Interim Assistant Vice President for Human Resources
Ms. Ashley Schumaker, Chief of Staff and Vice President for University Relations
Dr. Susan Trageser, Vice President for Student Affairs
Mr. David Underwood, Chief of Radford University Police Department
Mr. Allen Wilson, Senior Assistant Attorney General, Commonwealth of Virginia
Other Radford University faculty and staff

CALL TO ORDER

Mr. Gregory A. Burton, Chair, formally called the Business Affairs and Audit Committee meeting to order at 1:33 p.m. in the Mary Ann Jennings Hovis Board Room in Martin Hall. Mr. Burton welcomed everyone to the February meeting.

APPROVAL OF AGENDA

Mr. Burton asked for a motion to approve the February 7, 2019 meeting agenda, as published. Mr. James R. Kibler so moved, Ms. Nancy A. Rice seconded, and the motion carried unanimously.

APPROVAL OF MINUTES

Mr. Burton asked for a motion to approve the minutes of the December 6, 2018 meeting of the Business Affairs and Audit Committee, as published. Mr. Randy J. Marcus so moved, Mr. Kibler seconded, and the motion carried unanimously.

REPORTS AND RECOMMENDATIONS

Report from the Auditor of Public Accounts

Zachary Borgerding, with the Auditor of Public Accounts, presented information regarding the ongoing audit of the University's FY 2018 financial statements. He discussed the responsibilities of the auditors and management, as well as the planned scope and timeline of this year's audit. A copy of the Board of Visitors Entrance Conference Agenda is attached hereto as *Attachment A* and is made a part hereof.

University Auditor's Report

University Auditor Margaret McManus presented an oral report on the University Discretionary Fund review for the quarter ended December 31, 2018. One hundred percent of the University Discretionary Fund expenditures were reviewed, and all were found in compliance with the Board of Visitors' guidelines. Ms. McManus also presented a follow-up audit status report. A copy of the report is attached hereto as *Attachment B* and is made a part hereof.

Capital Projects Update

Vice President for Finance and Administration and Chief Financial Officer Chad A. Reed provided an update on capital projects currently in progress. A copy of the report is attached hereto as *Attachment C* and is made a part hereof.

Governor's Executive Budget Summary and 2019-20 Budget Development Update

Vice President Reed presented an overview of the incremental funding included for Radford University in the Governor's 2019-2020 Executive Budget Proposal. He reported the Governor's proposed budget included contributions to increase need-based student financial aid, and provided \$1.7 million of general funds requested to support the Jefferson College of Health Sciences merger. In addition to the two percent across-the-board salary increase and two percent merit increase for classified employees, which are both effective June 10, 2019, the Governor's Budget Proposal also includes a one percent salary bonus for all state employees effective December 1, 2019. Vice President Reed discussed amendments to the Governor's proposed budget introduced by both the Senate Finance Committee and the House Appropriations Committee. The outcome of the proposed 2019-20 budget will not be known until the completion of the 2019 General Assembly session. A copy of the Governor's Executive Budget Summary and 2019-20 Budget Development Update are attached hereto as *Attachment D* and is made a part hereof.

Approval of a Resolution Certifying Compliance with the Radford University Debt Management Policy

Associate Vice President for Finance and University Controller Stephanie Jennelle explained that the Secretary of Finance requires this certification annually for the Commonwealth of Virginia as part of Institutional Performance reporting. She provided documentation that the required ratio calculation demonstrates that the University is in compliance with its Debt Management Policy. Mr. Burton asked for a motion to recommend to the Board of Visitors the Resolution Certifying Compliance with the Radford University Debt Management Policy. Mr. Marcus so moved, Mr. Kibler seconded, and the motion carried unanimously. A copy of the Resolution is attached hereto as *Attachment E* and is made a part hereof.

ADJOURNMENT

With no further business to come before the committee, Mr. Burton asked for a motion to adjourn the meeting. Mr. Marcus made the motion, Mr. Kibler seconded, and the motion carried unanimously. The meeting adjourned at 2:40 p.m.

Respectfully submitted,

Pamela Fitchett

Administrative Assistant to the Vice President for Finance and Administration
and Chief Financial Officer

Radford University
Board of Visitors Entrance Conference Agenda
February 7, 2019

1. Introductions

Audit Staff:

- Zachary Borgerding, Project Manager
- Meghan Finney, Auditor In-Charge

2. Audit Objectives, Audit Plan and Audit Roles:

a. Audit timing

- Audit Period – July 1, 2017 through June 30, 2018
- Audit Deadline – May 2019

b. Audit objectives – Our audit objectives are to provide an opinion to the university’s financial statements that will be included with the financial statements that are distributed by the university. We will also issue a report on internal controls and compliance that will include any findings or recommendations that we may issue as a result of the audit.

c. Statewide single audit support – Audit work supporting the single audit was completed in the fall of 2018 and therefore the testwork planned for this spring will not include a federal audit component.

d. Overview of the relationship between APA, management, and the Board – APA and Radford University management work closely together in that APA is available to assist University staff during the report preparation process and we review the results of the financial statement preparation during the audit. APA follows up on all findings and recommendations to determine that management addresses findings promptly. At the completion of the audit, APA reports the results of our audits to the Board or the Audit Committee. We also work closely with internal audit throughout the year.

e. Responsibilities of management relative to internal control and financial statements – ARMICS outlines the University’s responsibility for internal control and the University annually certifies its responsibilities for internal control and accurate financial statements. Our responsibility is to ensure that internal controls are adequate as designed and then to review whether they are operating as intended.

3. Audit Approach

a. Our Office is continuously improving our audit approach by identifying, evaluating, and testing controls that are built into the university’s administrative and financial system. We continue to identify, test, and evaluate manual processes and controls, as well.

b. The final audit report may include recommendations to improve processes and the use of administrative systems. These may be separately identified as “efficiency recommendations.”

4. Discussion of Risk with Board Members

The APA encourages the Board of Visitors to provide input regarding the risks they perceive to the University in completing its mission. While Board members can direct their comments to the Audit Committee Chair or the Internal Audit Director to be forwarded to the APA Project Manager, we also plan to meet directly with the Audit Committee Chair. We will discuss the following issues:

- Any areas of fraud risk
- Any areas of institutional risk
- Any matters that the Board believes should be considered in planning

5. Required Communication with Board

Required Communications with the Board

Management should acknowledge that they understand and agree to the following terms of the engagement and Management's responsibilities during the audit process.

Responsibilities during the audit process:

1. The Auditor's (APA) Responsibilities

Overall Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and standards for financial audits contained in the *Government Auditing Standards*. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Audit Procedures-General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable, rather than absolute assurance, about whether the financial statements are free of material misstatement whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*.

Audit Procedures-Internal Control and Compliance

Our audit will include obtaining an understanding of internal controls, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, we will communicate in writing to management and those charged with governance any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Also, as part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants

Those charged with governance

We are responsible for communicating significant matters related to the financial statement audit that are, in the auditor's professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. GAAS do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance.

2. Management's Responsibilities –

Our audit will be conducted on the basis that Management **acknowledge and understand that they have the following responsibilities:**

- Preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America
- Design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
- Identify and ensure compliance with applicable laws, regulations, contracts, and grant agreements
- Informing the APA about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements
- Informing the APA (and others as required by the Code of Virginia § 30-138) of knowledge of any allegations of fraud or suspected fraud affecting the University received in communications from employees, former employees, regulators, or others
- As received, forward copies of each federal audit performed on agency or institution programs or activities to the Auditor of Public Accounts as required by Chapter 836 § 4-8.02 a. of the 2017 Virginia Acts of Assembly. To forward these reports to the Auditor of Public Accounts, use APAFederal@apa.virginia.gov. If the federal report is only available in hardcopy or contains FOIA exempt information, DO NOT email the report, use this same email account to notify the Auditor of Public Accounts of the federal report and provide the contact information of the individual with the report.
- Informing the APA of any potential documents that are FOIA exempt
- Ensuring that management is reliable and financial information is reliable and properly recorded
- Making all financial records and related information available to the APA
- Providing the APA with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence
- Responding to audit findings and recommendations, as well as providing your planned corrective actions and the timing and format for providing that information
- Providing the APA at the end of the audit with a written letter confirming certain representations made during the audit
- Adjusting the financial statements to correct material misstatements and providing the APA with a representation that the effects of any uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole
- Preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any

document that contains and indicates that we have reported on the supplementary information. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

3. Audit Committee

- Communicate with APA about audit scope
- Communicate with management and internal audit regarding progress
- Receive reports and findings from management and external audit

Other Elements of the audit process:

Overall planned scope of the audit

- **Approach to internal control** – We review internal controls to identify those areas where we can replace substantive testing with transactional testing. We look for management to have written formal policies and procedures and check for the implementation of those procedures.
- **Concept of materiality** – We do not review all transactions or accounts in detail. We use materiality to focus our work on those financial statement line items and those transactions that are material or significant to the University.

Identification of potential fraud risks

- **Approach to fraud** – Most of our audit is focused on our opinion on the financial statements and materiality. Our primary interest related to fraud would be in how it may affect the financial statements and those controls that the financial statements rely upon. The audit is not designed to detect error or fraud that is immaterial to the financial statements. However, we review policies and procedures for fraud risk and may direct our testwork towards addressing fraud risk.
- **Responsibility for identifying fraud risks and fraud** – Auditing standards require us to assess fraud risk, interview management and staff about their knowledge of fraud and fraud risk, and review exceptions for indications of possible fraudulent transactions. Auditors should be looking for red flag fraud indicators. Even though government entities are not always profit oriented, the auditors remain vigilant about financial statement fraud.
- **Report fraudulent transactions as required by Code of Virginia § 30-138** Agencies are responsible for reporting circumstances that suggest a reasonable possibility that a fraudulent transaction has occurred involving funds or property under their control, where an officer or employee of the state or local government may be involved. Items should be reported to the Auditor of Public Accounts, the State Inspector General, and the Superintendent of State Police.

Audit Reporting

We will issue a written report upon completion of our audit of the University's financial statements. *We will make reference to the Component Auditor's audit of Radford University Foundation in our report on the University's financial statements.* Our report will be addressed to the board of directors of University. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph(s). If our opinions on the financial statements are other than unqualified (unmodified), we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance will include a statement that the report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Audit Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
FEBRUARY 2019**

Audit: Student Health and Counseling Services Contract				
Business Issue		Planned Action	Action Date	Status
1.2	<p>The contract states that the Contractor shall ensure "that 95 percent of all entering students" have submitted a health record form with immunization history.</p> <p>b) It appears that the University was not monitoring compliance with this requirement prior to our audit. Upon our inquiry, the University obtained the data from the Contractor.</p>	<p>The University will ensure that the Contractor identifies all currently enrolled students who have not complied with the requirement, gives them appropriate notice, and then blocks class registration as needed.</p> <p>The University will monitor compliance with the requirement at least semi-annually.</p>	<p>April 1, 2017 Revised to July 1, 2017 Revised to March 15, 2018 Revised to October 31, 2018 Revised to February 11, 2019</p>	In process

Audit: Revenue Collection Point – Graduate Admissions Application Fees				
Business Issue		Planned Action	Action Date	Status
4.0	<p>An improvement is needed in the coding of deposits from CollegeNET. Currently, application fee revenue received from CollegeNET is recorded in Banner net of transaction or other fees. Accurate financial reporting requires that revenue be recorded at gross, with fees recorded separately as expenses.</p>	<p>Graduate Admissions will implement procedures to ensure that application fee revenue received from CollegeNET is recorded at gross, with transaction or other fees recorded separately as expenses.</p>	<p>August 31, 2018 Revised to November 30, 2018</p>	Complete

Audit: Student Recreation & Wellness Department				
	Business Issue	Planned Action	Action Date	Status
2.3	<p>Improvements are needed to comply with the Radford University Payment Cards Policy. Specifically,</p> <p>The Payment Cards Policy requires annual training for all employees handling payment card transactions. The policy also requires that those employees complete certain other items and that the department maintain supporting documentation regarding the employees' fulfillment of the policy's requirements.</p>	<p>The Director will designate that the Assistant Director of Outdoor Recreation, Assistant Director of Facilities, and Assistant Director for Intramurals and Sports Clubs ensure that (1) All current employees complete training as soon as possible, and (2) new employees complete training within 30 days of start date and prior to handling payment card transactions.</p> <p>Documentation of training and the annual review will be maintained. Signed agreements will be kept on file.</p>	October 31, 2018	Complete
5.1	<p>During our review of required safety training, certification, and/or licensure for employees, we noted that improvements are needed in the tracking of certifications. Specifically,</p> <ul style="list-style-type: none"> a. The Outdoor Programs area does not have a process for tracking the certifications of staff to ensure proper certification and timely recertification. b. Although the Facilities & Operations area maintains a spreadsheet, it is not used for all employees or for all required certifications. <p>Employees not maintaining current safety certifications or trainings and management not properly tracking those could result in employees not being properly trained and able to respond appropriately to a safety incident.</p>	<p>The department will develop a tracking process for all certifications and trainings. All Assistant Directors will maintain, track, and review monthly for compliance and prompt correction as necessary.</p>	<p>October 31, 2018 Revised to December 15, 2018</p>	Follow-up review is in process

Audit: IT – Micros				
	Business Issue	Planned Action	Action Date	Status
6.0	<p>During our review of ID card access to data centers, we noted that there is a lack of a formal policy and procedure to govern the process and to guide those granting access to buildings.</p> <p>The lack of a formal policy and procedure results in inconsistency in approving and granting access.</p>	The Division of Finance and Administration will establish a formal University Door Access policy, to address access via ID card and via key.	<p>June 15, 2016 Revised to January 31, 2017 Revised to June 30, 2017 Revised to January 31, 2018 Revised to August 1, 2018 Revised to December 31, 2018 Revised to March 31, 2019</p>	In process

Audit: IT – Building Automation Systems				
	Business Issue	Planned Action	Action Date	Status
5.0	The Standard requires that the ISO or designee annually reviews a list of persons allowed physical access to sensitive IT systems. In testing the review of those allowed physical access to the data centers, we found that the list reviewed was incomplete. This could lead to an inaccurate review and jeopardize physical security.	DoIT will develop and implement a written procedure to document the physical access review process performed by the ISO.	<p>December 1, 2018 Revised to February 1, 2019</p>	In process
7.2	Based on BIA and RA results, BAS have been identified as IT disaster components of the University's Continuity of Operations Plan because they are systems that are necessary to recover essential or dependent business functions of the University. The Standard requires an annual exercise of IT disaster recovery (DR) components to assess their adequacy and effectiveness, and, following the exercise, a review and revision of DR components.	Currently, DoIT performs multiple disaster recovery exercises each year, both functional and tabletop, at the enterprise level for DR IT components testing. Due to resource limitations, DoIT is unable to perform disaster recovery exercises on every individual system. Accordingly, DoIT will update the IT Security Standard to better reflect DR testing expectations.	<p>December 1, 2018 Revised to February 1, 2019</p>	In process

Audit: IT – Building Automation Systems (continued)

11.0	This issue was communicated to management in a separate document marked Freedom of Information Act exempt under § 2.2-3705.2(3) of the <u>Code of Virginia</u> due to it containing descriptions of security mechanisms.	Management provided a planned action under the same public disclosure exemption as noted in the business issue.	December 1, 2018 Revised to March 1, 2019	In process
12.2	Improvements are needed in the information security monitoring and event logging procedures The requirements for the frequency of system administrator log reviews are inconsistent between the IT Security Standard and the Log Review & Storage Policy (IT-PO-5200).	DoIT will review and update the policies and procedures documentation as needed to ensure consistency.	December 1, 2018 Revised to March 1, 2019	In process

**Radford University Board of Visitors
Business Affairs and Audit Committee
February 7, 2019**

**Information Item
Capital Projects Update**

Item: Facilities Planning and Construction update on capital projects.

Background: Currently, the University has **two active capital projects** in progress. The following is an update and project summary:

1. Reed-Curie Renovation

Project Budget ----- \$33,045,000

Architect/Engineer Firm----- Cannon Design

Construction Manager----- Branch and Associates

The Reed-Curie renovation project was approved in the spring 2016 state bond package. The project will completely renovate the existing Reed Hall and Curie Hall science buildings to complement the recent addition of the Center for the Sciences, ultimately providing an overall state-of-the-art facility for nearly all of Radford University’s Artis College of Science and Technology departments.

Occupants in the renovated building will include the Departments of Physics, Geology, Geospatial Sciences, and the Office of the Dean. The Cyber Security Center will also be housed in the renovated building, along with support spaces for the Chemistry and Biology departments. The Greenhouse will also be renovated and remain located adjacent to the renovated Reed Hall.

The state initially approved funding for the detailed planning of the project in the fall of 2016, and then approved final funding for the remainder of design and the construction on June 30, 2017. The state issued an approved demolition Building Permit on January 8, 2018 and the approved full project Building Permit on May 3, 2018.

During the summer of 2017, Radford University completed the relocation of staff and equipment to various swing spaces on campus to render the building unoccupied. A Guaranteed Maximum Price for an Early Release Demolition Package was approved with a Notice-to-Proceed executed on January 8, 2018, and a subsequent Guaranteed Maximum Price for the full Project Renovation Package was approved with a Notice-to-Proceed executed on May 3, 2018.

Demolition is complete, including all interior systems and components and select exterior utilities and site work. The façade of the existing Curie Hall has also been demolished and installation is underway of a new façade to more closely match the elements of the adjacent Center for the Sciences, and to provide full views from the interior building spaces. New interior walls and various building systems installations are well underway, starting at the first floor and proceeding to the third floor. Electrical and HVAC/plumbing rough-ins are mostly complete and the installation of walls and ceilings are well underway. The foundations and framing for the entry area addition and various exterior utility systems and components are mostly complete.

Design for furniture and other equipment/furnishings is mostly complete, and estimates have been received from VCE and are being reviewed to allow timely pricing and procurement of FF&E. Project construction final completion is scheduled for the fall of 2019, with overall project completion and swing space relocations by December 2019 to allow classes in January 2020.

2. Center for Adaptive Innovation and Creativity

Project Budget ----- \$4,000,000
(Detailed Planning only)

Architect/Engineer Firm----- Hord Coplan and Macht

Construction Manager----- Skanska

The Center for Adaptive Innovation and Creativity project was approved for Detailed Planning in July 2018, as described in the Radford University six-year capital plan submission to the state in December of 2017.

The Center will address an array of significant existing programmatic and building deficiencies across a number of academic colleges. The approximate 195,000-square-foot multi-story building will include state-of-the-art instruction, laboratory, maker, studio, computer, and collaborative spaces that integrate the arts and health sciences, along with office and other academic support functions. Specialty spaces will include an instructional auditorium and support spaces, jewelry and ceramics instructional spaces, health science clinical lab spaces, painting and drawing studio spaces, and music and dance studio spaces. The project will be located in a prominent area of campus directly adjacent to East Main Street, and will respond aesthetically to the existing buildings along this campus corridor.

The project scope will generally provide for demolition of the existing Porterfield East and West Halls and McGuffey Hall and construction of the new building and building systems and components including HVAC, plumbing, electrical, fire alarm and detection, fire suppression, lightning protection, and elevators. The project will replace existing facilities

and building systems nearly 50 years old that are inadequate for today's learning environment and technologies. Significant utility impacts will need to be accommodated, along with erosion/sediment control and storm water management requirements. The impact of required swing spaces and potential phased construction are being investigated during the early design phases of the project.

The solicitation for design services was advertised on May 1, 2018, and the firm of Hord, Coplan and Macht was selected and the design began in July. The initial Programming effort has been completed, and early building schemes were developed and approved by Radford University. Geotechnical investigations and site/utility surveying are complete. The state's Department of Historic Resources has approved the proposed demolition, and the Environmental Impact Report has been approved by DEQ. The demolition package has been approved by AARB, along with final approval of the new building design package by AARB as well. The Schematic Design Package was submitted to DEB in November, with subsequent approval in December. The Preliminary Design Package is scheduled to be submitted to DEB in spring of 2019, which will complete the funded Detailed Planning phase of the project.

The request to utilize the Construction Management-at-Risk delivery method was approved by DEB, and the solicitation for CM-at-Risk services was advertised on July 22, 2018. Qualifications packages were received on August 21, with RFP proposals and interviews in mid-September. The contract for pre-construction services was awarded to Skanska on October 8, and their team is currently providing pre-construction services for the project.

3. Master Plan 2020-2030

The University is underway on the preparation of an update of the current Master Plan. Background information gathering for the Master Plan 2020-2030 began in 2017, with the assignment of the Committee and kickoff meeting in April 2018. Initial information gathering and stakeholder input occurred throughout the summer and fall, with campus open forums and presentations to all internal governance Senates and other organizations and stakeholder groups. Sub-committees were formed to study specific areas of interest including academics; student activities and services; land use; transportation; infrastructure and sustainability; and public-private and community. A review of existing campus space utilization was completed, using outside consultants to identify potential under- or over-utilization of various space types. A review of existing campus parking was also completed, using outside consultants to identify potential areas of improvement for traffic, parking, and public transportation. Initial findings have been compiled and reviewed with the Executive Steering Committee in January, in order to identify areas for greater analysis in the spring of 2019. Final document preparation is scheduled for the summer/fall of 2019, with completion in December of 2019.

Action: None; informational only.

2018-20 Biennium Budget Governor's Amended Proposal

RADFORD
UNIVERSITY

Proposal Summary

On December 18, 2018, Governor Northam presented his 2018-20 Amended Executive Budget Proposal to the General Assembly Joint Money Committees.

- The Governor stressed the importance of providing all Virginians affordable education and housing, while also highlighting the benefits of a revised tax plan.
- The General Assembly convened on January 9, 2019, and has begun the process of considering the Governor's budget proposals.

Proposal Items Included:

1. Undergraduate Student Financial Aid
2. Faculty and Staff Salaries
3. Health Insurance Premiums
4. Jefferson College Merger
5. Acquire Properties - *Capital*
6. Tuition Predictability Plans

Student Financial Aid

- The amended budget includes \$15.5 million of additional undergraduate need-based financial aid for public institutions of higher education.
 - Radford University's share of additional support is \$628,345 in 2019-20.
- Inclusive of the increased student financial aid, the Governor's amended budget requested the creation of institutional "Tuition Predictability Plans."
 - The plans would outline expected cost of tuition and mandatory E&G fees at each institution for a period of at least three years.
 - Developed in conjunction with the SCHEV's six-year plan submission.

Salary and Benefits

- The Governor proposed a one-time 1% salary bonus for classified and faculty employees effective December 1, 2019.
 - Applies to employees who are (1) employed as of July 1, 2019 and (2) obtain at least a “contributor” rating on their performance evaluations.
- Health Insurance premiums are proposed to be level funded.
 - Reduction in general fund appropriations for the employer share of FY2020 premiums.
 - The University was previously projecting an 8.5% increase in rates, so the change is expected to result in allocable nongeneral fund resources.

Jefferson College Merger

- Program 199 - Administrative and Support Services (A&SS) was created to support the operations of Jefferson College of Health Sciences once it merges with Radford University.

Source: 2019 Session HB 1700 Introduced

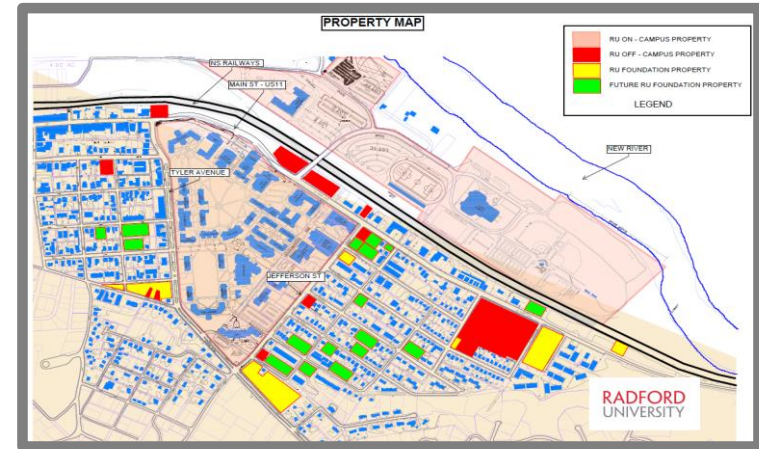
	Item Details(\$)		Appropriations(\$)	
	First Year FY2019	Second Year FY2020	First Year FY2019	Second Year FY2020
<i>184.10 Administrative and Support Services (19900).....</i>			\$0	\$22,341,670
<i>Operation of Higher Education Centers (19931).....</i>	\$0	\$22,341,670		
<i>Fund Sources: General.....</i>	\$0	\$1,707,422		
<i>Higher Education Operating.....</i>	\$0	\$20,634,248		
<i>Authority: Title 23.1, Chapter 23, Code of Virginia</i>				

Governor's Budget Proposal - Summary

	2018-19			2019-20		
	General Fund	Nongeneral Fund	Total	General Fund	Nongeneral Fund	Total
Operating Budget						
University Division						
Educational and General (E&G)						
State Employee 1.0% Bonus - One Time	-	-	-	\$442,105	\$294,737	\$736,842
Subtotal E&G	\$0	\$0	\$0	\$442,105	\$294,737	\$736,842
Student Financial Aid (SFA)						
Undergraduate SFA	-	-	-	\$628,345	-	\$628,345
Subtotal SFA	\$0	\$0	\$0	\$628,345	\$0	\$628,345
Administrative & Support Services (A&SS)						
Roanoke Operations Support	-	-	-	\$1,707,422	\$20,634,248	\$22,341,670
Subtotal Admin & Support Services	\$0	\$0	\$0	\$1,707,422	\$20,634,248	\$22,341,670
Total University Division	\$0	\$0	\$0	\$2,777,872	\$20,928,985	\$23,706,857

Acquire Property for Campus Expansion

- The Governor's budget proposal includes authorization of \$17.5 million in bond proceeds.
- A technical adjustment was submitted to realign funding sources to include cash and 9(c) debt for purchase of properties.



Legislative Timeline

- The final outcome of the 2018-20 Amended Executive Budget will not be known until the completion of the General Assembly session in February 2019.

Relevant Upcoming Dates:

Tuesday, February 5 - Crossover (all legislation must be passed by midnight)

Thursday, February 7 - Deadline for House and Senate to complete work on Budget

Wednesday, February 13 - Deadline for House and Senate to complete work on each other's Budget Bills (budget conferees appointed by midnight)

Monday, February 18 - Deadline for legislation to be reported out of committee

Saturday, February 23 - 2019 General Assembly adjourns

UPDATE: Crossover Budget Proposals

Student Financial Aid:

- HAC: - Removed \$15.5M of additional funding - (\$625K) RU impact
- SFC: - No change to Governor's Budget Proposal

Operating Support:

- HAC: - Proposed \$45.7M in general funds to address in-state affordability. Radford University's share of funding is anticipated at \$1.1M. If this funding is passed and accepted, the university would not be able to increase tuition for FY2020.
- SFC: - No change to Governor's Budget Proposal

Crossover Budget Proposals - Continued

Compensation:

- HAC:
 - Classified salary adjustment increased from 2.00% to 2.75%
 - Classified merit increased from 2.00% to 2.25%
 - Faculty salary adjustment increased from 2.00% to 3%
 - 1.00% bonus eliminated

- SFC:
 - Eliminates 1.00% bonus for faculty only
 - No other changes to Governor's Budget

Benefits:

- HAC:
 - No change to Governor's Budget Proposal

- SFC:
 - No change to Governor's Budget Proposal

Crossover Budget Proposals - Continued

RU/JCHS Merger:

HAC: - Includes the \$1.7M in general fund support and also proposes \$374K in general fund support to VWCC

SFC: - No change to Governor's Budget Proposal

Capital Outlay:

HAC: - Proposed \$1.1B in VCBA/VPBA tax-supported bonds - No RU projects were included in the package.

SFC: - No change to Governor's Budget Proposal

Crossover Budget Proposals - Continued

Other Items of Interest:

- HAC:
- Proposed \$27.9M in general funds to increase number of computer science degrees (Tech Talent Pipeline).
 - Proposed four-year waiting period for Board of Visitors seeking employment at a public institution of higher education.
 - Provides additional flexibility for Radford University to recruit out-of-state students by waiving student non-resident status.
 - Eliminates proposed new requirements related to six-year plan submission incorporating items of affordability and predictability.
 - Procurement technical change increases Level II and III institutions small purchase threshold to \$100K to align with the state agencies.

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Crossover Budget Proposals - Continued

Other Items of Interest:

- SFC:
- Proposed two-year waiting period for Board of Visitors seeking employment at a public institution of higher education.
 - Requires a surcharge (currently 8.04%) for institutions converting positions previously enrolled in a defined benefit or hybrid retirement program to a defined contribution program.
 - Proposed a performance measure for a pilot program to be placed in the general appropriation act. The performance pilot shall address college access, affordability, completion, etc.
 - Requires additional deferred maintenance and expenditure reporting to be considered in future capital outlay requests.

Discussion

**Radford University Board of Visitors
Business Affairs & Audit Committee
February 7, 2019**

**Information Item
Governor's Amended 2018-2020 Biennial Budget Proposal & Budget Update**

Item:

Overview of the Governor's Executive Budget Amendments for the 2018-2020 biennium.

Background:

On Tuesday, December 18, 2018, Governor Ralph Northam presented his 2018-20 Amended Executive Budget Proposal to the General Assembly Joint Money Committees. With the near completion of his first year in office, the Governor used this platform to stress the importance of providing all Virginians affordable education and housing, while also highlighting the benefits of a revised tax plan.

While sights are set on the future of the Commonwealth's investment in education, the Governor has expressed overwhelming support for short-term fiduciary responsibility. In total, the budget proposal seeks to set aside \$1.1 billion of reserve funding. This action is consistent with previous commitments to have eight percent of the State's budget in reserves by the end of the Governor's term. This will serve to maintain the fiscal integrity of the Commonwealth.

The following is an overview of the funding changes proposed for Radford University's operating budget. Attachment A is the financial summary of these recommendations while Attachment B is the State Council of Higher Education for Virginia (SCHEV) summary analysis for all institutions of higher education.

Operating Items:

- **Undergraduate Student Financial Assistance:** The Governor's amended budget includes \$15.5 million of additional need-based financial aid for public institutions of higher education. Of which, \$628,345 is earmarked in 2019-20 for additional support to Radford University. This is incremental to the \$365,861 of previous funding already included for 2019-20 as part of last year's legislative session. Therefore, a collective \$994,206 in general fund student financial aid is expected for fiscal year 2020.
- **Faculty and Staff Salaries:** The Governor's amended budget includes a one percent salary bonus for state employees effective December 1, 2019. This is a one-time payment to employees who were employed July 1, 2019 – November 1, 2019 and have successfully met the "contributor" rating for performance requirements. Please note, this includes classified staff and faculty.
 - The proposed bonus is in addition to the planned raises for 2019-20 – two percent across the board for all employees and up to two percent in merit increases for classified employees only. The planned raises are slated for June 10, 2019.

- **Central Appropriations (Fringe Benefit Rates, Insurance Premiums, etc.):** Language in the Amended Executive Budget Proposal communicated the institutional portion of health insurance premiums will not increase in fiscal year 2020. The University was previously projecting an 8.5 percent increase in rates which was expected to cost \$1.2 million. If rates are held in line with current year levels, the institution would save approximately \$400,000 in allocable resources than what was initially modeled.
- **Jefferson College of Health Sciences Merger:** As was requested for 2019-20, the Governor included appropriation of \$20.6 million in nongeneral fund and \$1.7 million in general fund support for operating the Roanoke Operations. The funds are to provide operating support for the newly acquired activities and to maintain affordability at current levels. Appropriation for the 152.0 positions has also been included to adequately align with the requested budget.

Capital Items:

- **Acquire Property for Campus Expansion:** The Governor’s amended budget includes the 9(c) debt for \$17.5 million in bond proceeds. This was submitted to acquire properties that are currently being leased to the university from the foundation for use as additional student housing.

Language:

- **Tuition and Fee Predictability Plans:** Inclusive of the increased student financial aid the Governor’s amended budget requested the creation of institutional “Tuition Predictability Plans”. The plans would outline expected cost of tuition and mandatory E&G fees at each institution, for a period of at least three years. It is intended to provide in-state undergraduate transparency in understanding what prospective students can expect to pay for education over a reasonable period of time.
 - SCHEV will be responsible for developing instructions and coordinating the collection of Tuition Predictability Plans. They are proposed to be developed in collaboration with the upcoming six-year plan submissions.

The final outcome of the 2018-20 Amended Executive Budget will not be known until the completion of the General Assembly session in February 2019. The General Assembly convened on Wednesday, January 9, 2019, and has begun the process of considering the Governor’s budget proposals. Updates will be provided throughout the session as additional information is known.

Action:

None. Information item only.

2018-20 Biennium Budget, Amended
Governor's Executive Budget Proposal
Radford University Summary

December 18, 2018

	2018-19			2019-20		
	General Fund	Nongeneral Fund	Total	General Fund	Nongeneral Fund	Total
Operating Budget						
University Division						
Educational and General (E&G)						
State Employee 1.0% Bonus - One Time	-	-	-	\$442,105	\$294,737	\$736,842
Subtotal E&G	\$0	\$0	\$0	\$442,105	\$294,737	\$736,842
Student Financial Aid (SFA)						
Undergraduate SFA	-	-	-	\$628,345	-	\$628,345
Subtotal SFA	\$0	\$0	\$0	\$628,345	\$0	\$628,345
Administrative & Support Services (A&SS)						
Roanoke Operations Support	-	-	-	\$1,707,422	\$20,634,248	\$22,341,670
Subtotal Admin & Support Services	\$0	\$0	\$0	\$1,707,422	\$20,634,248	\$22,341,670
Total University Division	\$0	\$0	\$0	\$2,777,872	\$20,928,985	\$23,706,857

**Preliminary Summary of
Major Items in the Governor’s Introduced Budget Amendments
for Higher Education for FY2020
(General Fund)**

Item	2019-20 Budget for Operations
(A) Base Operation and Student Financial Aid	
Increase undergraduate financial aid	\$15.5 million in FY2020.
Salary bonus in FY2020 (Item 474, paragraph AB.)	Propose one-time 1% salary bonus for classified and faculty, effective December 1, 2019. <ul style="list-style-type: none"> ▪ Applies to employees who were employed as of July 1, 2019 and remain employed as of November 1, 2019, and ▪ Employees must attain an equivalent rating of at least a “contributor” on their performance evaluation and have no active written notices under the Standards of Conduct for the preceding review period.
Higher Education Incentive Funds (interest earnings and credit card rebates)	Provide \$687,601 in general fund and \$1.6 million in nongeneral fund per year in 2018-2020 biennium.
VRS rates	No change
Health insurance premium (Item 474, paragraph G.1)	No change, level funded at the FY2019 rates. As a result, there is a reduction in general fund appropriations provided for the employer share of health insurance premium in FY2020.
(B) Institution-Specific Operating Budget	
RU	<ul style="list-style-type: none"> ▪ \$1.7 million in general fund and \$20.6 million in nongeneral fund to support the merger of the operations of the Jefferson College of Health Sciences in Roanoke with Radford.
UVA	<ul style="list-style-type: none"> ▪ \$200,000 for Va. Foundation for the Humanities ▪ \$1 million for focused ultrasound research
UVAW	<ul style="list-style-type: none"> ▪ \$2 million to enhance academic programs. This funding replaces the funds transferred to FY2019 to support the ongoing efforts ▪ \$600,000 to support planning for new programs.
VSU	<ul style="list-style-type: none"> ▪ \$299,286 in general fund and \$224,464 in nongeneral fund for the Graduate Engineering Program.
VCCS	<ul style="list-style-type: none"> ▪ \$5.5 million to support student advising. ▪ \$130,000 to create an online apprenticeship curriculum.
VIMS	<ul style="list-style-type: none"> ▪ \$386,668 to monitor bay grasses and support co-existence with oyster aquaculture
VT extension	<ul style="list-style-type: none"> ▪ \$678,481 to implement the policy to cover 95 percent of the state’s share for the E&G programs.
SCHEV Budget	<ul style="list-style-type: none"> ▪ \$4 million for New Economy Workforce Credential Grant to address higher than expected demand for this program

Attachment B – Governor’s 2018-20 Amended Biennial Budget Proposal

	<ul style="list-style-type: none"> ▪ Add two criteria for eligibility: <ul style="list-style-type: none"> ▪ Students must have a family income at or below \$50,000 annually, and ▪ No more than 25 percent of the grant funds may be used in one occupational field. ▪ \$5.2 million to increase maximum award to \$3,400 for undergraduate students in Tuition Assistance Grant program to support degree completion goals.
Jefferson Lab	<ul style="list-style-type: none"> ▪ \$500,000 to continue funding for the nuclear femtography center
Central Budget Items Impacting Higher Education	<p>The following items are proposed for general fund adjustments with no specific allocation:</p> <ul style="list-style-type: none"> ▪ Provide general fund support to increase the retiree health insurance credit benefit for public safety personnel (Item 474, paragraph L.3) ▪ Additional funding for Line of Duty Act payments and add funding for eligible part-time employees (Item 474, paragraph Q) ▪ Adjust funding for worker’s compensation premiums based on the latest actuarial report (Item 474, paragraph R) ▪ Additional funding for agency information technology cost (Item 475, paragraph G) ▪ Additional funding for charges related to the Cardinal system (Item 475, paragraph L) ▪ Secretary of Administration to study feasibility of a Family Leave Policy for the Commonwealth (Item 475, paragraph S) ▪ Integrate a Workforce Case Management System across state agencies (Item 475, paragraph T) ▪ Funding to support increasing the number of bachelor’s and master’s degrees in computer sciences and closely related fields and to improve the readiness of graduates from Virginia public institutions to be employed in technology-related occupations through internships (Items 475, paragraph U.) ▪ Funding authorized in Item C-49.10 shall be made available to support space renovations, enhancements, equipment, and facility construction related to the initiative in Item 475, paragraph U. (Item 475, paragraph W.) ▪ Fund general fund portion of premium charges for the University of Virginia’s Health Insurance Program \$808,692 per year in 2018-20 biennium.
(C)Language	
Tuition and fee transparency and predictability plan for in-state undergraduate	<ul style="list-style-type: none"> ▪ Public institutions are required to include in the six-year plan a tuition and fee transparency and predictability plan for in-state undergraduate students and submit to SCHEV. Plans shall include or indicate: <ul style="list-style-type: none"> ▪ no less than three years and include at least tuition and

Attachment B – Governor’s 2018-20 Amended Biennial Budget Proposal

students (Item 143, paragraph P.)	<p>mandatory E&G fees,</p> <ul style="list-style-type: none"> ▪ a percentage and dollar increase or decrease of any size the institution determines to be appropriate from one year to the next or for the duration of the plan, and ▪ a range of tuitions based on available state resources, but must contain a scenario that includes the assumption of no new state general fund support. ▪ SCHEV will develop instructions related to the submission of such plans in conjunction with the six-year plan financial plans as required by §23.-1-306, Code of Virginia.
Virginia College Affordability Network Initiative	<ul style="list-style-type: none"> ▪ Norfolk State University, Virginia State University and the University of Virginia at Wise shall develop a framework and funding recommendations associated with enhancing access to undergraduate education for students with high financial needs. ▪ The institutions shall submit a single report on their findings and recommendations by September 1, 2019, to the Secretary of Finance, Secretary of Education, Chairman of the House Appropriations Committee, the Chairmen of the Senate Finance Committee, and the Director, Department of Planning and Budget.
Mandatory non-E&G fee increase ((§4-2.01b, paragraph 8.a)	Allows University of Mary Washington to exceed the three percent cap on increases for non-E&G fees in FY2020
Level III authority (§4-9.03)	Provide Governor’s recommendation for James Madison University to pursue Level III designation.
2019-20 Budget Amendments for Capital Outlay	
Item	2019-20 Budget Amendments for Capital Outlay
New Construction: 2019 Capital Construction Pool (VCBA)	<ul style="list-style-type: none"> ▪ LU: Replace major HVAC system components ▪ ODU: Address maintenance needs in Kaufman Hall and Mills Godwin Building ▪ VMI: Corps Physical Training Facility Phase 3 (Aquatic Center) ▪ VIMS: Replace Oyster Hatchery
Equipment funding (VCBA)	Provides equipment funding related to facilities coming online over next 18 months (see table below)
Supplements to existing projects (VCBA)	VT- extension: improve Kentland facilities, Phase I (\$3.1 million)
Address workforce needs (VCBA)	<ul style="list-style-type: none"> ▪ VT – construct new academic building at Innovation Campus, Northern Virginia (\$168 million) with a matching nongeneral fund of \$107 million from VT ▪ Computer-related facilities to enhance workforce (\$80 million)
Parking deck repairs (9(d) bonds)	Address repair needs at parking decks at CNU, VCU and GCC (\$20 million)
Other New projects (9(c)/9(d) bonds or nongeneral funds)	<ul style="list-style-type: none"> ▪ ODU: Construct Campus Dining Improvements, Phase II ▪ ODU: Construct Student Health and Wellness Addition ▪ RU: Acquire Property for Campus Expansion

Attachment B – Governor’s 2018-20 Amended Biennial Budget Proposal

Language	VCU: Acquire Virginia Alcoholic Beverage Control Authority Property Should Virginia Alcoholic Beverage Control Authority determines to transfer or sell its property of the Alcoholic Beverage Control Central Office and Warehouse, it shall offer to transfer the Property to Virginia Commonwealth University (VCU) prior to offering the Property for transfer or sale to any other public or private agency or entity or individual with some pre-set conditions.
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**Governor’s Proposed Budget Amendment for FY2020
(General Fund)**

Inst	Need-Based Financial Aid	Inst-Specific Funding
CNU	\$664,882	
CWM	\$38,855	
GMU	\$2,920,393	
JMU	\$1,173,512	
LU	\$535,893	
NSU	\$907,275	
ODU	\$597,234	
RU	\$628,345	\$1,707,422
UMW	\$134,119	
UVA ¹	\$67,384	\$2,008,692
UVAW	\$398,527	\$2,600,000
VCU	\$2,204,146	
VMI	\$11,071	
VSU	\$480,861	\$299,286
VT	\$991,397	
RBC	\$238,536	
VCCS	\$3,474,453	\$5,630,000
Financial benefits		\$687,601
Wkfrce dev initiatives ²		\$11,000,000
Institutional Total	\$15,466,883	\$23,933,001
VIMS		\$386,668
VT-extension ³		\$548,924
So. Univ. Res. Asso.		\$500,000
SCHEV		
TAG	\$5,200,000	
Wkfrce Credential		\$4,000,000
Grand Total	\$20,666,883	\$29,368,593

Notes:

(1) Includes \$808,692 state share of the UVA health insurance plan. An equal amount is provided for FY2019.

(2) Includes \$2.7 million for K-12 education.

(3) \$129,557 is provided for FY2019.

Comparison of Governor and SCHEV Budget for FY2020
(In Millions)

	SCHEV Budget	Governor's Budget
Recommendations		
Commonwealth's priorities		
Provide support keep tuition increase low and to support faculty recruitment and retention that align with the needs of the Commonwealth	\$ 50.0	
Provide education funds for workforce development initiatives ¹		\$ 11.0
Subtotal Fund for Institutions and Commonwealth Needs	\$ 50.0	\$ 11.0
Providing Student Financial Aid		
Undergraduate Need-based Financial Aid	\$ 15.4	\$ 15.5
Graduate Commonwealth Award (Graduate Aid):	\$ 6.0	
Tuition Assistance Grant (TAG)	\$ 5.0	\$ 5.2
New Economy Workforce Credential Grant Program	\$ 4.0	\$ 4.0
Subtotal Financial Aid	\$ 30.4	\$ 24.7
Supporting Institutional Excellence		
Higher Education Equipment Trust Fund - Allocation ² (\$20.7)	\$ -	
Maintenance Reserve Program	\$ 38.3	
Commonwealth Graduate Engineering Program	\$ 0.2	\$ 0.3
Institution-specific funding		\$ 14.1
Subtotal Institutional Excellence	\$ 38.5	\$ 14.4
Credential Attainment		
Graduate outcome reporting and increase data analysis: Increase staff capacity for data analysis and communications and one-time funds to conduct a study of graduate outcomes, focused on improved reporting of higher education outcomes. (\$1.25 million in one-time funds to conduct a survey of graduate outcomes)	\$ 2.0	
Access and completion support for Virginians:	\$ 1.5	
Subtotal Council initiatives	\$ 3.5	
Total	\$ 122.4	\$ 50.1

Notes:

(1) Includes funding of \$8.3 million for higher education and \$2.7 million for K-12 education.

(2) Debt service for additional funding is not expected until FY2021.

Equipment for Projects Previously Authorized

Code	Agency	Project Title
204	College of William and Mary	Construct Fine and Performing Arts Facility. Phase I & II
215	University of Mary Washington	Provide supplemental equipment funding for Jepson Science Center
215	University of Mary Washington	Provide equipment for renovation of Seacobeck Hall
221	Old Dominion University	Construct New Chemistry Building
236	Virginia Commonwealth University	Construct School of Engineering Research Expansion
247	George Mason University	Construct Utilities Distribution Infrastructure
260	Virginia Community College System	Replace Phase 1 Academic and Administrative Building, Eastern Shore
274	Eastern Virginia Medical School	Construction New Education and Academic Administrative Building

**Radford University Board of Visitors
Business Affairs & Audit Committee
February 7, 2019**

**Action Item
Compliance with Debt Management Policy**

Item:

Adoption of a Resolution certifying that Radford University is in compliance with its Debt Management Policy. In addition, this certification is required annually by the Secretary of Finance for the Commonwealth of Virginia as part of Institutional Performance reporting.

Background:

The 2005 Session of the General Assembly adopted, and the Governor signed, legislation that provides Radford University and all other public colleges and universities in the Commonwealth the opportunity to attain certain authority and autonomy to manage its academic and administrative affairs more efficiently and effectively through implementation of the Restructured Higher Education Financial and Administrative Operations Act. At its meeting on June 30, 2005, the Radford University Board of Visitors approved a Resolution of Commitment allowing the University to exercise restructured financial and operational authority as identified in the Restructuring Act.

The 2015 Virginia Acts of Assembly, Chapter 665 includes a requirement in the General Provisions related to Higher Education Restructuring. §4-9.01 requires, in part, that: *“Consistent with § 23-9.6:1.01 [recodified as § 23.1-206], Code of Virginia, the following education-related and financial and administrative management measures shall be the basis on which the State Council of Higher Education shall annually assess and certify institutional performance. Such certification shall be completed and forwarded in writing to the Governor and the General Assembly no later than October 1 of each even-numbered year. Institutional performance on measures set forth in paragraph D of this section shall be evaluated year-to-date by the Secretaries of Finance, Administration, and Technology as appropriate, and communicated to the State Council of Higher Education before October 1 of each even-numbered year. Financial benefits provided to each institution in accordance with § 2.2-5005 will be evaluated in light of that institution’s performance.”*

The Secretary of Finance collects information to fulfill the reporting requirements as they relate to paragraph D-Financial and Administrative Standards, specifically §4-9.01 d.2. which states: *“Institution complies with a debt management policy approved by its governing board that defines the maximum percent of institutional resources that can be used to pay debt service in a fiscal year, and the maximum amount of debt that can be prudently issued within a specified period.”* To assess this measure, the Secretary of Finance is seeking a statement from the Board of Visitors certifying Radford University’s compliance with said policy and the effective date of that policy.

Schedule A below provides the required ratio calculation and demonstrates the University is in compliance with its Debt Management Policy. Currently, as disclosed in the 2018 unaudited annual financial statements, the University's debt obligations including affiliated foundation total \$86,244,130 which is mainly attributable to the Student Recreation and Wellness Center, Renovations of four Residence Hall projects, and the affiliated foundation property acquisition.

Schedule A				
RADFORD UNIVERSITY				
DEBT MANAGEMENT POLICY RATIO				
The calculation reflects June 30, 2018 unaudited Financial Statements for Total Operating Expenses (as defined in the University's Debt Management Policy); however, Annual Debt Service reflects expected payments as of June 30, 2019.				
Board Approved Ratios	Range	Formula	Unaudited Financial Statements as of 6/30/2018	
<u>Debt Burden Ratio</u> Max Annual Debt Service as % of Operating Expenses	< 7%	<u>Annual Debt Service*</u> Total Operating Expenses*	\$4,186,317	1.71%
			\$244,795,452	

* Ratio includes Radford University Foundation

The Debt Management Policy also identifies that an annual report shall be prepared for review by the Board of Visitors. The notes to the annual financial statements provide the required elements to comply with the Debt Management Policy. Below are the Financial Statement Notes related to outstanding obligations that were prepared for the year-ending June 30, 2018 (unaudited):

NOTE 7: Long-Term Debt

Notes Payable—Pooled Bonds

The University issued 9(d) bonds by participating in the Public Higher Education Financing Program (Pooled Bond Program) created by the Virginia General Assembly in 1996. Through the Pooled Bond Program, the Virginia College Building Authority (VCBA) issues 9(d) bonds and uses the proceeds to purchase debt obligations (notes) of the University and various other institutions of higher education. The University's general revenue secures these notes.

The composition of notes payable at June 30, 2018, is summarized as follows:

<u>Notes Payable - Pooled Bonds:</u>	<u>Interest Rates</u>	<u>Final Maturity</u>
Student Fitness Center		
Series 2009B, \$3.720 million par amount	2.00% - 5.00%	September 1, 2029
Series 2016A, \$2.285 million par amount – partial refunding of Series 2009B	3.00% - 5.00%	September 1, 2029
Series 2011A, \$4.235 million par amount	3.00% - 5.00%	September 1, 2031

Series 2012B, \$11.155 million par amount	3.00% - 5.00%	September 1, 2032
Series 2013A, \$4.865 million par amount	2.00% - 5.00%	September 1, 2033

Bonds Payable—9c

The University has issued bonds pursuant to section 9(c) of Article X of the Constitution of Virginia. Section 9(c) bonds are general obligation bonds issued by the Commonwealth of Virginia on behalf of the University. They are secured by the net revenues of the completed project and the full faith, credit, and taxing power of the Commonwealth of Virginia.

The composition of bonds payable at June 30, 2018, is summarized as follows:

<u>Bonds Payable - 9c:</u>	<u>Interest Rates</u>	<u>Final Maturity</u>
Renovation of Washington Hall (residence hall)		
Series 2013A, \$5.040 million par amount	2.00% - 5.00%	June 1, 2033
Renovation of Pocahontas, Bolling, Draper (residence halls)		
Series 2014A, \$11.080 million par amount	2.00% - 5.00%	June 1, 2034
Series 2015A, \$8.820 million par amount	2.00% - 5.00%	June 1, 2035
Series 2016B, \$7.160 million par amount	3.00% - 5.00%	June 1, 2036

Installment Purchase Obligations

The University has future obligations under an installment purchase agreement initiated in January 2009. The capitalized value of the asset purchased under this installment purchase agreement is \$114,460 and the repayment term is 10 years at an interest rate of 2.087 percent.

A summary of changes in long-term debt for the year ending June 30, 2018, is presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>	<u>Noncurrent Portion</u>
Long-term debt:						
Notes payable - pooled bonds	\$22,241,962	-	\$1,096,274	\$21,145,688	\$980,000	\$20,165,688
Bonds payable - 9c	32,545,300	-	1,309,683	31,235,617	1,200,000	30,035,617
Installment purchase obligations	24,875	-	12,309	12,566	12,566	-
Total long-term debt	<u>\$54,812,137</u>	<u>-</u>	<u>\$2,418,266</u>	<u>\$52,393,871</u>	<u>\$2,192,566</u>	<u>\$50,201,305</u>

Future principal payments on long-term debt are as follows:

<u>Fiscal Year Ending</u>	<u>Notes Payable Pooled Bonds</u>	<u>Bonds Payable - 9c</u>	<u>Installment Purchase</u>
June 30, 2019	980,000	1,200,000	12,566
June 30, 2020	1,030,000	1,260,000	-
June 30, 2021	1,085,000	1,320,000	-
June 30, 2022	1,135,000	1,395,000	-
2023-2027	6,465,000	8,005,000	-

2028-2032	7,200,000	9,695,000	-
2033-2036	1,445,000	5,615,000	-
Unamortized Premium	1,805,688	2,745,616	-
Total	<u>\$21,145,688</u>	<u>\$31,235,616</u>	<u>\$12,566</u>

Future interest payments on long-term debt are as follows:

Fiscal Year Ending	Notes Payable Pooled Bonds	Bonds Payable - 9c	Installment Purchase
June 30, 2019	743,306	1,119,500	197
June 30, 2020	698,006	1,059,500	-
June 30, 2021	650,181	996,500	-
June 30, 2022	596,731	930,500	-
2023-2027	2,185,622	3,603,150	-
2028-2032	882,200	1,913,163	-
2033-2036	38,625	359,850	-
Total	<u>\$5,794,671</u>	<u>\$9,982,163</u>	<u>\$197</u>

Long-Term Debt Defeasance

During fiscal year 2017, the Commonwealth of Virginia, on behalf of the University, issued pooled bonds Series 2016A for \$2,285,000 with interest rates of 3.0 to 5.0 percent to advance refund \$2,305,000 of Series 2009B pooled bonds. The bonds, issued at a premium of \$470,852, are used to provide funds for debt service savings for the Commonwealth. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds.

The advanced refunding resulted in a deferred accounting loss of \$296,927 for the University, which is being amortized to interest expense over the life of the new debt. At June 30, 2018, \$251,824 of the unamortized deferred loss is reported on the Statement of Net Position as a deferred outflow of resources. The defeasance will reduce the University's total debt service obligation by \$184,341 over the next 13 years. The debt service savings discounted at a rate of 1.849 percent results in an economic gain of \$167,810.

For financial reporting purposes, these notes payables are considered an in-substance defeasance and have therefore been removed from the long-term debt payable line item of the Statement of Net Position. The assets in escrow have similarly been excluded.

NOTE 20E: Component Unit Financial Information

The following is a summary of the outstanding notes payable at June 30, 2018:

Note payable in monthly installments calculated on a ten year amortization with a balloon payment of remaining amount in May 2020, interest payable at LIBOR plus 1.48 percent (3.58 and 2.53 percent at June 30, 2018 and 2017,	\$383,124
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respectively). Outstanding principal due upon maturity in May 2020. Unsecured.

Note payable in monthly installments of \$17,532 through July 2018 with interest payable at 2.01 percent. Unsecured. 18,346

Note payable in monthly installments of \$2,601 through November 2020, interest payable at 1.54 percent. Secured by deposit accounts maintained by and investment property held with the institution. 73,789

Notes payable in monthly installments calculated on a twenty-five year amortization with a balloon payment of remaining amount in May 2021, with Interest payable at LIBOR plus 0.82 (2.91% at June 30, 2018). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally secured by an assignment of leases and rents. 410,000

Notes payable in monthly installments calculated on a twenty year amortization with a balloon payment of remaining amount in May 2023, with Interest payable at LIBOR plus 0.82 (2.91% at June 30, 2018). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally secured by an assignment of leases and rents. 465,000

Notes payable in monthly installments calculated on a twenty-five year amortization with a balloon payment of remaining amount in May 2021, with Interest payable at LIBOR plus 0.82 (2.91% at June 30, 2018). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally secured by an assignment of leases and rents. 22,500,000

Notes payable in monthly installments calculated on a twenty- five year amortization with a balloon payment of remaining amount in May 2021, with Interest payable at LIBOR plus 0.82 (2.91% at June 30, 2018). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally secured by an assignment of leases and rents. 10,000,000

Total long-term debt \$33,850,259

Future principal payments on notes payable for years ending June 30 are as follows:

2019	\$130,748
2020	553,178
2021	1,386,798
2022	1,026,514
2023 and thereafter	<u>30,753,021</u>
Total long-term debt	<u>33,850,259</u>

Notes payables are subject to certain affirmative and negative covenants. Management believes the Foundation has complied with all covenants as of June 30, 2018.

Action:

Board of Visitors adoption of a Resolution of Compliance with the Radford University Debt Management Policy.

**Radford University Board of Visitors
Resolution
Compliance with Debt Management Policy**

February 7, 2019

WHEREAS, the 2005 Session of the General Assembly adopted, and the Governor signed, legislation that provides Radford University and all other public colleges and universities in the Commonwealth the opportunity to attain certain authority and autonomy to manage its academic and administrative affairs more efficiently and effectively through implementation of the Restructured Higher Education Financial and Administrative Operations Act; and

WHEREAS, on June 30, 2005, the Radford University Board of Visitors approved a Resolution of Commitment allowing the University to exercise restructured financial and operational authority as identified in the Restructuring Act; and

WHEREAS, the Governor has established financial and management measures on which annual assessment and certification of institutional performance will be evaluated; and

WHEREAS, the financial and management measures require the Radford University Board of Visitors to approve a Debt Management Policy; and

WHEREAS, the Radford University Board of Visitors approved such Debt Management Policy at its March 30, 2007 meeting; revisions to this policy were approved by the Board of Visitors at its August 23, 2007, November 12, 2010 and February 8, 2012 meetings; and

WHEREAS, Schedule A demonstrates that the University meets the requirements outlined in the Debt Management Policy; and

WHEREAS, the Board of Visitors must annually certify Radford University's compliance with the approved Debt Management Policy to the Secretary of Finance for the Commonwealth of Virginia;

NOW, THEREFORE, BE IT RESOLVED, this resolution approved by the Radford University Board of Visitors certifies that the University is in compliance with its Debt Management Policy.

End of Board of Visitors Materials

