State of Idaho
Single Audit Report

Fiscal Year 2022

Terri Kondeff
Director

Legislative Services Office
Idaho State Legislature

Serving Idaho's Citizen Legislature

April 7, 2023

Honorable Brad Little, Governor
Honorable Representative Wendy Horman, JFAC Co-Chair
Honorable Senator C. Scott Grow, JFAC Co-Chair
Honorable Brandon D Woolf, State Controller

We are pleased to submit the statewide *Single Audit Report* of the State of Idaho covering the fiscal year ended June 30, 2022. This report complies with the audit requirements placed on the State of Idaho as a condition for receiving and expending $5,078,670,451 in federal assistance (colleges and universities, and Idaho Housing and Finance Association are reported separately).

Idaho is tasked with administering its federal funds in compliance with applicable laws and regulations. Questioned costs for fiscal year 2022 totaled $2,271 known and $71,576 likely, although some issues are reported for which questioned costs could not be determined.

The federal audit requirements are contained in Title 31, Chapter 75, United States Code, as amended by the Single Audit Act Amendments of 1996. The objectives of the Single Audit Act are:

- To improve the financial management of state and local governments with respect to federal financial assistance programs through improved auditing.
- To establish uniform requirements for audits of federal financial assistance provided to state and local governments.
- To promote the efficient and effective use of audit resources.
- To ensure that federal departments and agencies, to the maximum extent practicable, rely on and use audit work performed pursuant to the requirements of the Single Audit Act.

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* was issued to facilitate the implementation of the Single Audit Act as amended in 1996. *Uniform Guidance* places the responsibility for identifying major programs to audit on the auditor. A risk-based approach, which considers current and prior audit experience, federal oversight, and inherent risk, is used to identify major programs. All audit issues are in the section entitled "Auditor's Results." Internal control weaknesses and compliance issues related to federal awards are included in the subsection entitled "Federal Findings and Questioned Costs." Internal control weaknesses and compliance issues related to the basic financial statements are included in the subsection entitled "Basic Financial Statements Findings."

Paul Headlee, Deputy Director
Legislative Services Office

Kristin Ford, Manager
Research & Legislation

Keith Bybee, Manager
Budget & Policy Analysis

April Renfro, Manager
Legislative Audits

Glenn Harris, Manager
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This document contains the following reports and schedules:

- 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*
- 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*
- Schedule of Expenditures of Federal Awards
- Auditor's Results
- Management's Basic Financial Statements Findings Corrective Action Plan
- Management's Federal Findings Corrective Action Plan
- Management's Follow-up for Prior Findings (basic financial statements and federal findings)

The complete *Annual Comprehensive Financial Report* (ACFR), which includes the State's basic financial statements, can be obtained from the Idaho Office of the State Controller (208-334-3100) or accessed on its website at www.sco.idaho.gov. Additionally, the Schedule of Expenditures of Federal Awards by State Agency will be available as a special report accessed on our website at https://legislature.idaho.gov/lso.

Sincerely,

April Renfro

April Renfro, CPA, Manager
Legislative Audits Division

STATE OF IDAHO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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*The State's basic financial statements are included in the statewide *Annual Comprehensive Financial Report* (ACFR) published in conjunction with this *Single Audit Report* by the Office of the State Controller. The ACFR can be obtained from the Office of the State Controller (208-334-3100) or accessed on its website at www.sco.idaho.gov.

Legislative Services Office
Idaho State Legislature

Terri Kondeff
Director

Serving Idaho's Citizen Legislature

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*

December 23, 2022

Honorable Brad Little, Governor
Honorable Representative Wendy Horman, JFAC Co-Chair
Honorable Senator C. Scott Grow, JFAC Co-Chair
Honorable Brandon D Woolf, State Controller

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Idaho as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise State of Idaho's basic financial statements, and have issued our report thereon dated December 23, 2022. Our report includes a reference to other auditors who audited the financial statements of Boise State University, Idaho State University, Lewis-Clark State College, University of Idaho, and their respective component units, Idaho Fish and Wildlife Foundation, Idaho Potato Commission, Idaho Dairy Products Commission, Idaho State Bar, Idaho Wheat Commission, Idaho Endowment Fund Investment Board, Idaho Lottery, Public Employee Retirement System of Idaho, Idaho Individual High Risk Reinsurance Pool, Idaho Small Employer Health Reinsurance Program, Idaho Health Insurance Exchange, Idaho State Treasurer – Assets Under Management, Idaho State Building Authority, Idaho Bond Bank Authority, and the Idaho Housing and Finance Association (including The Housing Company, a discretely presented component unit of the Idaho Housing and Finance Association) as described in our report on the State of Idaho's 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 Boise State University Foundation and Idaho State University Foundation were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

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

Paul Headlee, Deputy Director Legislative Services Office | **Kristin Ford, Manager** Research & Legislation | **Keith Bybee, Manager** Budget & Policy Analysis | **April Renfro, Manager** Legislative Audits | **Glenn Harris, Manager** Information Technology

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Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Basic Financial Statement Findings, 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 following deficiencies described in the accompanying Basic Financial Statement Findings to be material weaknesses: 2022-102.

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 described in the accompanying Basic Financial Statement Findings to be significant deficiencies: 2022-2022-101, 2022-103, 2022-104, 2022-105, 2022-106, and 2022-107.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of Idaho'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

State of Idaho's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the State of Idaho's response to the findings identified in our engagement and described in the accompanying Basic Financial Statement Findings. The State of Idaho's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

Sincerely,

April Renfro

April Renfro, CPA, Manager
Legislative Audits Division

April 7, 2023

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*

Independent Auditor's Report

Honorable Brad Little, Governor
Honorable Representative Wendy Horman, JFAC Co-Chair
Honorable C. Scott Grow, JFAC Co-Chair
Honorable Brandon D Woolf, State Controller

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the State of Idaho's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the State of Idaho's major federal programs for the year ended June 30, 2022. The State of Idaho's major federal programs are identified in the Summary of Auditor's Results section of the accompanying schedule of findings and questioned costs.

The State of Idaho's basic financial statements include the operations of the Idaho Housing and Finance Association and the University of Idaho, which expended $4,436,722,763 in federal awards, which are not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2022. In addition, the State of Idaho's basic financial statements include the operations of Boise State University, Idaho State University, and Lewis-Clark State College, which are not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2022. Our audit, described below, did not include the operations of Boise State University, Idaho State University, Lewis-Clark State College, University of Idaho, and Idaho Housing and Finance Association because these entities engaged other auditors to perform an audit in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*.

Qualified Opinion on the Aging Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State of Idaho complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Aging Cluster for the year ended June 30, 2022.

Qualified Opinion on the Education Stabilization Fund

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State of Idaho complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Education Stabilization Fund for the year ended June 30, 2022.

Qualified Opinion on the Food Distribution Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State of Idaho complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Food Distribution Cluster for the year ended June 30, 2022.

Qualified Opinion on the Supplemental Nutrition Assistance Program (SNAP) Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State of Idaho complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Supplemental Nutrition Assistance Program (SNAP) for the year ended June 30, 2022.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State of Idaho 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 Federal Findings and Questioned Costs for the year ended June 30, 2022.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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)*. Our responsibilities under those standards and the *Uniform Guidance* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the State of Idaho and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the State of Idaho's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on the Aging Cluster.

As described in the accompanying Schedule of Federal Findings and Questioned Costs, the State of Idaho did not comply with requirements regarding Assistance Listings 93.044, 93.045, 93.053 The Aging Cluster as described in finding numbers 2022-201 and 2022-202 for Reporting.

Matter Giving Rise to Qualified Opinion on the Education Stabilization Fund

As described in the accompanying Schedule of Federal Findings and Questioned Costs, the State of Idaho did not comply with requirements regarding Assistance Listings 84.425U, 84.425D, 84.425W, 84.425R Education Stabilization Fund as described in finding number 2022-206 for Subrecipient Monitoring.

Matter Giving Rise to Qualified Opinion on the Food Distribution Cluster

As described in the accompanying Schedule of Federal Findings and Questioned Costs, the State of Idaho did not comply with requirements regarding Assistance Listing 10.568 Food Distribution Cluster as described in finding number 2022-209 for Special Tests and Provisions.

Matter Giving Rise to Qualified Opinion on Supplemental Nutrition Assistance Program (SNAP) Cluster

As described in the accompanying Schedule of Federal Findings and Questioned Costs, the State of Idaho did not comply with requirements regarding Assistance Listings 10.551, 10.561 Supplemental Nutrition Assistance Program (SNAP) Cluster as described in finding number 2022-212 for Special Tests and Provisions.

Compliance with such requirements is necessary, in our opinion, for the State of Idaho to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the State of Idaho's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above have occurred, whether due to fraud or error, and express an opinion on the State of Idaho's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *Uniform Guidance* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State of Idaho's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *Uniform Guidance*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State of Idaho's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the State of Idaho's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the State of Idaho's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance that are required to be reported in accordance with the *Uniform Guidance* and which are described in the accompanying Schedule of Federal Findings and Questioned Costs as items 2022-204, 2022-205, 2022-210, 2022-211. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the State of Idaho's response to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Federal Findings and Questioned Costs. The State of Idaho's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify 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 a 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 described in the accompanying schedule of Federal Findings and Questioned Costs as items 2022-201, 2022-202, 2022-204, 2022-206, 2022-208, 2022-209, and 2022-212 to be material weaknesses.

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 described in the accompanying schedule of Federal Findings and Questioned Costs as items 2022-203, 2022-205, 2022-207, 2022-210, and 2022-211 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the State of Idaho's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Federal Findings and Questioned Costs. The State of Idaho's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 State of Idaho as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State of Idaho's basic financial statements. We issued our report thereon dated December 23, 2022, which contained unmodified opinions on those financial statements. 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 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.

Sincerely,

April Renfro

April Renfro, CPA, Manager
Legislative Audits Division

STATE OF IDAHO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
BY FEDERAL AGENCY

STATE OF IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

AL	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	DIRECT AWARD EXPENDITURES	TYPE*	AMOUNT PROVIDED TO SUBRECIPIENTS	TYPE*
	DEPARTMENT OF AGRICULTURE					
	SNAP CLUSTER					
10.551	Supplemental Nutrition Assistance Program (SNAP)	Health and Welfare, Department of	$211,881,411	NC		
10.551	Supplemental Nutrition Assistance Program (SNAP)	Health and Welfare, Department of	38,370,588	NC, COVID-19		
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Health and Welfare, Department of	10,409,452		$951,945	
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Health and Welfare, Department of	354,983	COVID-19		
	TOTAL SNAP CLUSTER		$261,016,434		$951,945	
	CHILD NUTRITION CLUSTER					
10.553	School Breakfast Program (SBP)	State Department of Education	$28,685,383		$28,559,163	
10.555	National School Lunch Program (NSLP)	State Department of Education	9,420,648	NC	9,335,425	NC
10.555	National School Lunch Program (NSLP)	State Department of Education	114,637,906		114,375,075	
10.555	National School Lunch Program (NSLP)	State Department of Education	2,127,492	COVID-19	2,118,351	COVID-19
	Total 10.555		$126,186,046		$125,828,851	
10.556	Special Milk Program for Children (SMP)	State Department of Education	$20,936		$20,936	
10.559	Summer Food Service Program for Children (SFSPC)	State Department of Education	10,107,823		9,842,194	
10.579	Child Nutrition Discretionary Grants Limited Availability	State Department of Education	265,281		119,820	
10.582	Fresh Fruit and Vegetable Program	State Department of Education	1,675,638		1,617,874	
	TOTAL CHILD NUTRITION CLUSTER		$166,941,107		$165,988,838	
	FOOD DISTRIBUTION CLUSTER					
10.565	Commodity Supplemental Food Program	Aging, Commission on	$206,777		$186,029	
10.568	Emergency Food Assistance Program (Administrative Costs)	Health and Welfare, Department of	165,137		145,993	
10.568	Emergency Food Assistance Program (Administrative Costs)	Health and Welfare, Department of	905,669	COVID-19	905,669	COVID-19
	Total 10.568		$1,070,806		$1,051,662	
10.569	Emergency Food Assistance Program (Food Commodities)	Health and Welfare, Department of	$7,418,205	NC		
	TOTAL FOOD DISTRIBUTION CLUSTER		$8,695,788		$1,237,691	
	NON-CLUSTERED PROGRAMS					
10.025	Plant and Animal Disease, Pest Control, and Animal Care	Agriculture, Department of	$623,001		$75,735	
10.069	Conservation Reserve Program	Fish and Game, Department of	62,337			
10.093	Voluntary Public Access & Habitat Incentive Program	Fish and Game, Department of	300,897			
10.162	Inspection Grading and Standardization	Agriculture, Department of	52,378			
10.163	Market Protection and Promotion	Agriculture, Department of	7,800			
10.170	Specialty Crop Block Grant Program - Farm Bill	Agriculture, Department of	1,210,222		617,195	
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program	Agriculture, Department of	36,553	COVID-19		
10.534	CACFP Meal Service Training Grants	State Department of Education	43,957			
10.541	Child Nutrition Technology Innovation Grant	State Department of Education	227,601		143,645	
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	Health and Welfare, Department of	21,158,734		6,320,774	
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	Health and Welfare, Department of	1,547,158	COVID-19		
	Total 10.557		$22,705,892		$6,320,774	
10.558	Child and Adult Care Food Program (CACFP)	State Department of Education	$7,184,657		$7,043,186	
10.558	Child and Adult Care Food Program (CACFP)	State Department of Education	495,131	COVID-19	491,717	COVID-19
	Total 10.558		$7,679,788		$7,534,903	
10.560	State Administrative Expenses for Child Nutrition	State Department of Education	$1,220,459			
10.578	WIC Grants To States (WGS)	Health and Welfare, Department of	95			
10.589	Child Nutrition Direct Certification Performance Awards	State Department of Education	877			
10.649	Pandemic EBT Administrative Costs	Health and Welfare, Department of	1,148,825	COVID-19		
10.664	Cooperative Forestry Assistance	Lands, Department of	3,637,968		$1,957,476	
10.676	Forest Legacy Program	Lands, Department of	120,534			
10.678	Forest Stewardship Program	Lands, Department of	5,426			
10.680	Forest Health Protection	Agriculture, Department of	113,995		103,584	
10.691	Good Neighbor Authority	Species Conservation, Office of	1,318			
10.697	State and Private Forestry Hazardous Fuel Reduction Program	Lands, Department of	309,357		307,898	
10.698	State and Private Forestry Cooperative Fire Assistance	Lands, Department of	37,830			
10.902	Soil and Water Conservation	Agriculture, Department of	47,480			
10.902	Soil and Water Conservation	Lands, Department of	81,978			
	Total 10.902		$129,458			
10.912	Environmental Quality Incentives Program	Lands, Department of	$28,459			
10.U02	Forest Service Aquatic Invasive Species Monitoring	Agriculture, Department of	26,786			
10.U04	Miscellaneous Forest Service Grants	Fish and Game, Department of	80,316			
10.U33	Forest Service Aquatic Invasive Species Prevention	Agriculture, Department of	3,430			
10.U32	USDA Veterinary Services Agreement for Brucellosis Testing	Agriculture, Department of	46,980			
	TOTAL NON-CLUSTERED PROGRAMS		$39,862,539		$17,061,210	
	TOTAL DEPARTMENT OF AGRICULTURE		$476,515,868		$185,239,684	

*Type of assistance other than direct cash: NC=non-cash; PT=pass-through; R&D=research & development; COVID19=COVID-19 related expenditures (CARES Act, ARPA, etc.)

The accompanying notes are an integral part of this schedule.

STATE OF IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

AL	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	DIRECT AWARD EXPENDITURES	TYPE*	AMOUNT PROVIDED TO SUBRECIPIENTS	TYPE*
	DEPARTMENT OF COMMERCE					
11.407	Interjurisdictional Fisheries Act of 1986	Fish and Game, Department of	$16,021			
11.436	Columbia River Fisheries Development Program	Fish and Game, Department of	1,463,114			
11.438	Pacific Coast Salmon Recovery - Pacific Salmon Treaty Program	Fish and Game, Department of	261,365			
11.438	Pacific Coast Salmon Recovery - Pacific Salmon Treaty Program	Species Conservation, Office of	4,250,639		$1,665,131	
	Total 11.438		$4,512,004		$1,665,131	
11.441	Regional Fishery Management Councils	Fish and Game, Department of	$78,477			
	TOTAL DEPARTMENT OF COMMERCE		$6,069,616		$1,665,131	
	DEPARTMENT OF DEFENSE					
12.113	State Memorandum of Agreement Program for the Reimbursement of Technical Services	Environmental Quality, Department of	$182,157			
12.300	Basic and Applied Scientific Research	Fish and Game, Department of	15,099			
12.400	Military Construction, National Guard	Military, Division of	19,624,556			
12.401	National Guard Military Operations and Maintenance Projects	Military, Division of	47,777,085			
12.404	National Guard ChalleNGe Program	Military, Division of	1,103,766			
Pass-Through From Non-State Entities						
12.U29	Watercraft Inspection Station Program Pacific States Marine Fisheries Commission; PSMFC. Award #20-104P (Prime Award # W68SBV00164077)	Agriculture, Department of	499,159	PT	$188,517	PT
12.U31	Aquatic Invasive Species Monitoring Pacific States Marine Fisheries Commission; PSMFC Award # 20-145P (Prime Award # W68SBV00766915)	Agriculture, Department of	46,599	PT		
	TOTAL DEPARTMENT OF DEFENSE		$69,248,421		$188,517	
	HOUSING AND URBAN DEVELOPMENT					
14.171	Manufactured Home Dispute Resolution	Occupational and Professional Licenses, Division of	$42,945			
14.228	Community Development Block Grants/State's Program	Commerce, Department of	6,706,432		$6,346,853	
14.228	Community Development Block Grants/State's Program	Commerce, Department of	1,470,021	COVID-19	1,470,021	COVID-19
	Total 14.228		$8,176,453		$7,816,874	
	TOTAL HOUSING AND URBAN DEVELOPMENT		$8,219,398		$7,816,874	
	DEPARTMENT OF THE INTERIOR					
	FISH AND WILDLIFE CLUSTER					
15.605	Sport Fish Restoration	Fish and Game, Department of	$7,196,361		$42,052	
15.611	Wildlife Restoration and Basic Hunter Education	Fish and Game, Department of	15,479,486		841,618	
15.626	Enhanced Hunter Education and Safety	Fish and Game, Department of	90,846			
	TOTAL FISH AND WILDLIFE CLUSTER		$22,766,693		$883,670	
	NON-CLUSTERED PROGRAMS					
15.130	Indian Education Assistance to Schools	State Department of Education	$19,486		$19,486	
15.224	Cultural and Paleontological Resource Management	Historical Society, Idaho State	12,825			
15.225	Recreation Resource Management	Fish and Game, Department of	6,387			
15.230	Invasive and Noxious Plant Management	Fish and Game, Department of	46,958			
15.230	Invasive and Noxious Plant Management	Agriculture, Department of	47,881			
	Total 15.230		$94,839			
15.231	Fish, Wildlife and Plant Conservation Resource Management	Fish and Game, Department of	$260,439		69,399	
15.231	Fish, Wildlife and Plant Conservation Resource Management	Species Conservation, Office of	199,680			
	Total 15.231		$460,119		$69,399	
15.233	Forests and Woodlands Resource Management	Lands, Department of	$21,105			
15.238	Challenge Cost Share	Fish and Game, Department of	15,000			
15.517	Fish & Wildlife Coordination Act	Fish and Game, Department of	295,837			
15.517	Fish and Wildlife Coordination Act	Species Conservation, Office of	761,278		$761,278	
	Total 15.517		$1,057,115		$761,278	
15.524	Recreation Resources Management	Parks and Recreation, Department of	$269,803			
15.560	SECURE Water Act - Research Agreements	Fish and Game, Department of	147,883			
15.615	Cooperative Endangered Species Conservation Fund	Fish and Game, Department of	435,146		$35,994	
15.615	Cooperative Endangered Species Conservation Fund	Species Conservation, Office of	21,600			
	Total 15.615		$456,746		$35,994	
15.634	State Wildlife Grants	Fish and Game, Department of	$699,501			
15.652	Undesirable/Noxious Plant Species	Agriculture, Department of	(11,774)			
15.657	Endangered Species Conservation - Recovery Implementation Funds	Fish and Game, Department of	300,386			
15.660	Endangered Species - Candidate Conservation Action Fund	Species Conservation, Office of	18,785			
15.661	Lower Snake River Compensation Plan	Fish and Game, Department of	9,396,480			
15.666	Endangered Species Conservation-Wolf Livestock Loss Compensation and Prevention	Species Conservation, Office of	143,900			
15.670	Adaptive Science	Fish and Game, Department of	2,571			
15.904	Historic Preservation Fund Grants-in-Aid	Historical Society, Idaho State	880,386		$81,372	
15.916	Outdoor Recreation Acquisition, Development, and Planning	Parks and Recreation, Department of	1,259,896		604,788	
15.944	Natural Resource Stewardship	Parks and Recreation, Department of	685,169			
15.684	White Nose Syndrome National Response Implementation	Fish and Game, Department of	24,023		18,916	

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STATE OF IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

AL	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	DIRECT AWARD EXPENDITURES	TYPE*	AMOUNT PROVIDED TO SUBRECIPIENTS	TYPE*
Pass-Through From Non-State Entities						
15.634	State Wildlife Grants Washington Department of Fish & Wildlife Agreement number 19-12476	Fish and Game, Department of	$27,644	PT		
	TOTAL NON-CLUSTERED PROGRAMS		$15,988,275		$1,591,233	
	TOTAL DEPARTMENT OF THE INTERIOR		$38,754,968		$2,474,903	
	DEPARTMENT OF JUSTICE					
16.017	Sexual Assault Services Formula Program	Police, Idaho State	$245,294		$61,272	
16.021	Justice Systems Response to Families	Judicial Department	172,421			
16.540	Juvenile Justice and Delinquency Prevention	Juvenile Corrections, Department of	293,077			
16.543	Missing Children's Assistance	Attorney General, Office of the	349,892			
16.550	State Justice Statistics Program for Statistical Analysis Centers	Police, Idaho State	83,095			
16.575	Crime Victim Assistance	Health and Welfare, Department of	11,877,822		11,464,841	
16.576	Crime Victim Compensation	Industrial Commission	984,263			
16.588	Violence Against Women Formula Grants	Police, Idaho State	975,134		800,580	
16.593	Residential Substance Abuse Treatment for State Prisoners	Police, Idaho State	219,066		97,548	
16.606	State Criminal Alien Assistance Program	Correction, Department of	375,079			
16.738	Edward Byrne Memorial Justice Assistance Grant Program	Police, Idaho State	764,767		119,900	
16.741	DNA Backlog Reduction Program	Police, Idaho State	505,896			
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	Police, Idaho State	121,687			
16.750	Support for Adam Walsh Act Implementation Grant Program	Police, Idaho State	92,382			
16.754	Harold Rogers Prescription Drug Monitoring Program	Health and Welfare, Department of	106,500		96,971	
16.812	Second Chance Act Reentry Initiative	Correction, Department of	212			
16.813	NICS Act Record Improvement Program	Police, Idaho State	244,225			
16.827	Justice Reinvestment Initiative	Correction, Department of	421,688		316,311	
16.838	Comprehensive Opioid, Stimulant, and Substance Abuse Program	Health and Welfare, Department of	362,767		343,547	
16.839	STOP School Violence	Education, State Board of	192,750			
16.839	STOP School Violence	Health and Welfare, Department of	301,950		294,933	
	Total 16.839		$494,700		$294,933	
16.922	Equitable Sharing Program	Police, Idaho State	$40,837			
	TOTAL DEPARTMENT OF JUSTICE		$18,730,804		$13,595,903	
	DEPARTMENT OF LABOR					
	EMPLOYMENT SERVICE CLUSTER					
17.207	Employment Service/Wagner-Peyser Funded Activities	Labor, Department of	$7,631,002			
17.801	Jobs for Veterans State Grants	Labor, Department of	864,327			
	TOTAL EMPLOYMENT SERVICE CLUSTER		$8,495,329			
	WIOA CLUSTER					
17.258	WIA Adult Program	Labor, Department of	$1,662,772		$576,107	
17.259	WIA Youth Activities	Labor, Department of	3,084,502		43,776	
17.278	WIA Dislocated Workers Formula Grants	Labor, Department of	1,151,885		364,995	
	TOTAL WIOA CLUSTER		$5,899,159		$984,878	
	NON-CLUSTER PROGRAMS					
17.225	Unemployment Insurance	Labor, Department of	$89,380,034			
17.225	Unemployment Insurance	Labor, Department of	4,839,102	COVID-19		
	Total 17.225		$94,219,136			
17.235	Senior Community Service Employment Program	Aging, Commission on	$301,307		$276,509	
17.245	Trade Adjustment Assistance	Labor, Department of	471,475			
17.261	WIA Pilots, Demonstrations, and research Projects	Labor, Department of	97,848			
17.268	H-1B Job Training Grants	Career-Technical Education, Division of	346,584		266,179	
17.271	Work Opportunity Tax Credit Program (WOTC)	Labor, Department of	99,403			
17.273	Temporary Labor Certification for Foreign Workers	Labor, Department of	386,744			
17.277	WIOA National Dislocated Worker Grants/WIA National Emergency Grants	Labor, Department of	434,730	COVID-19		
17.285	Apprenticeship USA Grants	Labor, Department of	575,467			
17.285	Apprenticeship USA Grants	Workforce Development Council	613,141		498,320	
	Total 17.285		$1,188,608		$498,320	
17.287	Job Corps Experimental Projects and Technical Assistance	Labor, Department of	$5,588,114		$1,270,472	
17.805	Homeless Veterans Reintegration Project	Labor, Department of	94			
	TOTAL NON-CLUSTERED PROGRAMS		$103,134,043		$2,311,480	
	TOTAL DEPARTMENT OF LABOR		$117,528,531		$3,296,358	
	DEPARTMENT OF TRANSPORTATION					
	HIGHWAY PLANNING AND CONSTRUCTION CLUSTER					
20.205	Highway Planning and Construction	Transportation Department, Idaho	$341,689,492		$3,436,442	
20.205	Highway Planning and Construction	Transportation Department, Idaho	11,847,237	COVID-19		
	Total 20.205		$353,536,729		$3,436,442	
20.219	Recreational Trails Program	Parks and Recreation, Department of	$1,380,316		$1,092,587	
	TOTAL HIGHWAY PLANNING AND CONSTRUCTION CLUSTER		$354,917,045		$4,529,029	

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STATE OF IDAHO
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BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

AL	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	DIRECT AWARD EXPENDITURES	TYPE*	AMOUNT PROVIDED TO SUBRECIPIENTS	TYPE*
	FMCSA CLUSTER					
20.218	National Motor Carrier Safety	Police, Idaho State	$2,082,950			
	TOTAL FMCSA CLUSTER		$2,082,950			
	FEDERAL TRANSIT CLUSTER					
20.500	Federal Transit Capital Investment Grants	Transportation Department, Idaho	$427,460		$427,460	
20.526	Bus and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	Transportation Department, Idaho	2,529,032		2,529,032	
	TOTAL FEDERAL TRANSIT CLUSTER		$2,956,492		$2,956,492	
	TRANSIT SERVICES PROGRAMS CLUSTER					
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities	Transportation Department, Idaho	$785,019		$684,817	
	TOTAL TRANSIT SERVICES PROGRAMS CLUSTER		$785,019		$684,817	
	HIGHWAY SAFETY CLUSTER					
20.600	State and Community Highway Safety	Transportation Department, Idaho	$3,024,105		$1,408,652	
20.616	National Priority Safety Programs	Transportation Department, Idaho	1,985,258		1,153,042	
	TOTAL HIGHWAY SAFETY CLUSTER		$5,009,363		$2,561,694	
	NON-CLUSTERED PROGRAMS					
20.106	Airport Improvement Program	Transportation Department, Idaho	$213,542			
20.232	Commercial Driver's License Program Improvement Grant	Transportation Department, Idaho	180,605			
20.505	Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	Transportation Department, Idaho	18,149			
20.509	Formula Grants for Rural Areas	Transportation Department, Idaho	6,093,210		$5,798,907	
20.509	Formula Grants for Rural Areas	Transportation Department, Idaho	4,304,361	COVID-19	4,107,683	COVID-19
	Total 20.509		$10,397,571		$9,906,590	
20.614	NHTSA Discretionary Safety Grants and Cooperative Agreements	Transportation Department, Idaho	$57,463			
20.700	Pipeline Safety Program	Public Utilities Commission	196,524			
20.703	Interagency Hazardous Materials Public Sector Training & Planning Grants	Military, Division of	118,207		$56,150	
20.720	State Damage Prevention Program Grants	Occupational and Professional Licenses, Division of	80,750			
20.721	PHMSA Pipeline Safety Program One Call Grant	Public Utilities Commission	5,726			
	TOTAL NON-CLUSTERED PROGRAMS		$11,268,537		$9,962,740	
	TOTAL DEPARTMENT OF TRANSPORTATION		$377,019,406		$20,694,772	
	US TREASURY					
21.016	Equitable Share	Police, Idaho State	$62,755			
21.019	Coronavirus Relief Fund	Governor, Office of the	154,570,880	COVID-19	$57,442,534	COVID-19
21.023	Emergency Rental Assistance Program	Governor, Office of the	40,177,941	COVID-19	40,177,941	COVID-19
21.027	Coronavirus State and Local Fiscal Recovery Funds	Workforce Development Council	14,704	COVID-19		
21.027	Coronavirus State and Local Fiscal Recovery Funds	Financial Management, Division of	12,216,579	COVID-19	5,263,198	COVID-19
21.027	Coronavirus State and Local Fiscal Recovery Funds	State Department of Education	36,653,375	COVID-19	36,653,375	COVID-19
	Total 21.027		$48,884,658		$41,916,573	
	TOTAL US TREASURY		$243,696,234		$139,537,048	
	GENERAL SERVICES ADMINISTRATION					
39.003	Donation of Federal Surplus Personal Property	Administration, Department of	$900,443	NC		
	TOTAL GENERAL SERVICES ADMINISTRATION		$900,443			
	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
Pass-Through From Non-State Entities						
43.008	Office of STEM Engagement (OSTEM) University of Idaho, Grantor Number 80NSSC20M0108	Stem Action Center	$25,000	PT		
	TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		$25,000			
	NATIONAL ENDOWMENT FOR THE HUMANITIES					
45.025	Promotion of the Arts - Partnership Agreements	Arts, Commission on the	$766,404		$387,993	
45.025	Promotion of the Arts - Partnership Agreements	Arts, Commission on the	765,996	COVID-19	765,996	COVID-19
	Total 45.025		$1,532,400		$1,153,989	
45.149	Promotion of the Humanities - Division of Preservation and Access	Historical Society, Idaho State	$118,939	COVID-19		
Pass-Through From Non-State Entities						
45.129	Promotion of the Humanities - Federal/State Partnership Idaho Humanities Council; Grantor Number H20001	Libraries, Idaho Commission for	21,164	PT, COVID-19		
45.129	Promotion of the Humanities - Federal/State Partnership Idaho Humanities Council; Grantor Number ZSO-283176-21	Historical Society, Idaho State	25,000	PT, COVID-19		
	Total 45.129		$46,164			
	TOTAL NATIONAL ENDOWMENT FOR THE HUMANITIES		$1,697,503		$1,153,989	

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STATE OF IDAHO
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BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

AL	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	DIRECT AWARD EXPENDITURES	TYPE*	AMOUNT PROVIDED TO SUBRECIPIENTS	TYPE*
	INSTITUTE OF MUSEUM AND LIBRARY SERVICES					
45.310	Grants to States	Libraries, Idaho Commission for	$1,360,063		$68,219	
45.310	LSTA CARES ACT State Grants	Libraries, Idaho Commission for	2,242,868	COVID-19	1,800,000	COVID-19
	TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES		$3,602,931		$1,868,219	
	NATIONAL SCIENCE FOUNDATION					
47.076	Education and Human Resources	Stem Action Center	$17,992			
	TOTAL NATIONAL SCIENCE FOUNDATION		$17,992			
	SMALL BUSINESS ADMINISTRATION					
59.061	State Trade and Export Promotion Pilot Grant Program	Commerce, Department of	$339,015		$170,135	
	TOTAL SMALL BUSINESS ADMINISTRATION		$339,015		$170,135	
	DEPARTMENT OF VETERANS AFFAIRS					
64.005	Grants to States for Construction of State Home Facilities	Veterans Services, Division of	$18,068,872			
64.005	Grants to States for Construction of State Home Facilities	Veterans Services, Division of	1,513,996	COVID-19		
	Total 64.005		$19,582,868			
64.014	Veterans State Domiciliary Care	Veterans Services, Division of	$312,733			
64.015	Veterans State Nursing Home Care	Veterans Services, Division of	14,019,996			
64.015	Veterans State Nursing Home Care	Veterans Services, Division of	9,934	COVID-19		
	Total 64.015		$14,029,930			
64.101	Burial Expense Allowances for Veterans	Veterans Services, Division of	$540,961			
	TOTAL DEPARTMENT OF VETERANS AFFAIRS		$34,466,492			
	ENVIRONMENTAL PROTECTION AGENCY					
	CLEAN WATER STATE REVOLVING FUND CLUSTER					
66.458	Capitalization Grants for Clean Water State Revolving Funds	Environmental Quality, Department of	$7,763,047		$1,470	
	TOTAL CLEAN WATER STATE REVOLVING FUND CLUSTER		$7,763,047		$1,470	
	DRINKING WATER STATE REVOLVING FUND CLUSTER					
66.468	Capitalization Grants for Drinking Water State Revolving Funds	Environmental Quality, Department of	$10,644,461		$488,707	
	TOTAL DRINKING WATER STATE REVOLVING FUND CLUSTER		$10,644,461		$488,707	
	NON-CLUSTERED PROGRAMS					
66.032	State Indoor Radon Grants	Health and Welfare, Department of	$78,010			
66.034	Surveys, Studies, Research, Investigations, Demonstrations & Special Purpose Activities Relating to the Clean Air Act	Environmental Quality, Department of	382,121			
66.039	National Clean Diesel Emissions Reduction Program	Environmental Quality, Department of	34,354			
66.040	State Clean Diesel Grant Program	Environmental Quality, Department of	80,465			
66.202	Congressionally Mandated Projects	Environmental Quality, Department of	593,246		$365,133	
66.204	Multipurpose Grants to States and Tribes	Agriculture, Department of	2,418			
66.204	Multipurpose Grants to States and Tribes	Environmental Quality, Department of	151,528			
66.204	Multipurpose Grants to States and Tribes	Fish and Game, Department of	9,060			
66.204	Multipurpose Grants to States and Tribes	Health and Welfare, Department of	24,788			
66.204	EPA Multipurpose Grant	Water Resources, Department of	20,822			
	Total 66.204		$208,616			
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	Environmental Quality, Department of	$1,753,527			
66.432	State Public Water System Supervision	Environmental Quality, Department of	1,291,212			
66.433	State Underground Water Source Protection	Water Resources, Department of	84,670			
66.442	Assistance for Small and Disadvantaged Communities Drinking Water Program Grant (SDWA 1459A)	Environmental Quality, Department of	279,321		279,321	
66.444	Lead Testing in School and Child Care Program Drinking Water Grant Program	Environmental Quality, Department of	2,314			
66.454	Water Quality Management Planning	Environmental Quality, Department of	110,789			
66.460	Nonpoint Source Implementation Grants	Environmental Quality, Department of	1,691,189		1,065,109	
66.461	Regional Wetland Program Development Grants	Fish and Game, Department of	10,484			
66.605	Performance Partnership Grants	Environmental Quality, Department of	1,199,098			
66.608	Environmental Info. Exchange Network Grant Prog. and Related Assist.	Environmental Quality, Department of	91,305			
66.700	Consolidated Pesticide Enforcement Cooperative Agreements	Agriculture, Department of	459,233			
66.708	Pollution Prevention Grants Program	Environmental Quality, Department of	92,589		50,933	
66.801	Hazardous Waste Management State Program Support	Environmental Quality, Department of	356,396		14,447	
66.802	Superfund State, Political Subdivision, and Indian Tribe Site-Specific Coop Agmts.	Environmental Quality, Department of	1,777,937		288,486	
66.804	Underground Storage Tank Prevention, Detection and Compliance Program	Environmental Quality, Department of	404,529			
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program	Environmental Quality, Department of	544,880			
66.809	Superfund State and Indian Tribe Core Program Cooperative Agreements	Environmental Quality, Department of	239,451			
66.817	State and Tribal Response Program Grants	Environmental Quality, Department of	937,848			
	TOTAL NON-CLUSTERED PROGRAMS		$12,703,584		$2,063,429	

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FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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Pass-Through From Non-State Entities						
66.034	Surveys, Studies, Research, Investigations, Demonstrations & Special Purpose Activities Relating to the Clean Air Act Nez Perce Tribe of Idaho; Grantor Number E11001	Environmental Quality, Department of	$2,081	PT		
	TOTAL ENVIRONMENTAL PROTECTION AGENCY		$31,113,173		$2,553,606	
	DEPARTMENT OF ENERGY					
81.041	State Energy Program	Energy Resources, Office of	$477,930			
81.041	State Energy Program	Fish and Game, Department of	62,063			
	Total 81.041		$539,993			
81.042	Weatherization Assistance for Low-Income Persons	Health and Welfare, Department of	$2,409,644		$2,379,464	
81.214	Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis	Environmental Quality, Department of	2,121,538			
81.U14	Tributary Water Conservation	Water Resources, Department of	586,550			
81.U17	Miscellaneous Bonneville Power Administration Grants	Fish and Game, Department of	17,763,497		72,805	
81.U17	Miscellaneous Bonneville Power Administration Grants	Species Conservation, Office of	3,269,146		696,035	
	Total 81.U17		$21,032,643		$768,840	
81.U18	Weatherization Conference	Health and Welfare, Department of	$699,300		$696,785	
81.U30	Miscellaneous Pacific States Marine Fisheries Commission Grants	Fish and Game, Department of	752,010			
	Pass-Through From Non-State Entities					
81.106	Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions Western Governors' Association; Grantor Number MOA 30-316-04H, MOA 30-316-04G	Environmental Quality, Department of	164,205	PT		
	TOTAL DEPARTMENT OF ENERGY		$28,305,883		$3,845,089	
	DEPARTMENT OF EDUCATION					
	SPECIAL EDUCATION CLUSTER (IDEA)					
84.027	Special Education Grants to States	State Department of Education	$60,415,716		$57,224,979	
84.027	Special Education Grants to States	State Department of Education	3,045,582	COVID-19	3,045,582	COVID-19
	Total 84.027		$63,461,298		$60,270,561	
84.173	Special Education Preschool Grants	State Department of Education	$2,277,430		$2,215,730	
84.173	Special Education Preschool Grants	State Department of Education	239,401	COVID-19	239,401	COVID-19
	Total 84.173		$2,516,831		$2,455,131	
	TOTAL SPECIAL EDUCATION CLUSTER (IDEA)		$65,978,129		$62,725,692	
	NON-CLUSTERED PROGRAMS					
84.002	Adult Education - Basic Grants to States	Career-Technical Education, Division of	$3,027,108		$2,789,288	
84.010	Title I Grants to Local Educational Agencies	State Department of Education	55,370,592		54,378,790	
84.011	Migrant Education - State Grant Program	State Department of Education	5,448,958		4,978,987	
84.013	Title I State Agency Program for Neglected & Delinquent Children & Youth	State Department of Education	473,248			
84.048	Career and Technical Education - Basic Grants to States	Career-Technical Education, Division of	6,914,207		5,947,370	
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Blind and Visually Impaired, Commission for the	2,921,644			
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Vocational Rehabilitation, Division of	12,847,574			
	Total 84.126		$15,769,218			
84.144	Migrant Education Coordination Program	State Department of Education	$98,533		4,021	
84.177	Rehabilitation Services - Independent Living Services for Older Individuals Who Are Blind	Blind and Visually Impaired, Commission for the	243,567			
84.181	Special Education - Grants for Infants and Families	Health and Welfare, Department of	2,661,853			
84.181	Special Education - Grants for Infants and Families	Health and Welfare, Department of	265,777	COVID-19		
	Total 84.181		$2,927,630			
84.187	Supported Employment Services for Individuals with the Most Significant Disabilities	Vocational Rehabilitation, Division of	$320,006			
84.196	Education for Homeless Children and Youth	State Department of Education	357,030		244,481	
84.287	Twenty-First Century Community Learning Centers	State Department of Education	5,452,276		5,059,465	
84.323	Special Education - State Personnel Development	State Department of Education	590,820		197,852	
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	State Department of Education	1,950,157		1,062,495	
84.334S	Gaining Early Awareness and Readiness for Undergraduate Programs	Board of Education	2,122,873		2,106,517	
	Total 84.334		$4,073,030			
84.358	Rural Education	State Department of Education	$188,510		179,698	
84.365	English Language Acquisition State Grants	State Department of Education	2,434,332		2,152,696	
84.367	Improving Teacher Quality State Grants	State Department of Education	10,027,356		9,356,631	
84.369	Grants for State Assessments and Related Activities	State Department of Education	3,619,799			
84.424	Student Support and Academic Enrichment Program	State Department of Education	5,523,530		5,177,711	
84.425C	Education Stabilization Fund - Governor's Emergency Relief Fund	Education, State Board of	6,137,710	COVID-19	3,445,566	COVID-19
84.425D	Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund	State Department of Education	116,628,959	COVID-19	115,140,124	COVID-19
84.425R	Education Stabilization Fund - Emergency Assistance for Non-Public Schools	State Department of Education	3,145,463	COVID-19	3,091,841	COVID-19

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The accompanying notes are an integral part of this schedule.

STATE OF IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

AL	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	DIRECT AWARD EXPENDITURES	TYPE*	AMOUNT PROVIDED TO SUBRECIPIENTS	TYPE*
84.425U	Education Stabilization Fund - ARPA ESSER III	State Department of Education	$43,913,574	COVID-19	$43,913,574	COVID-19
84.425W	Education Stabilization Fund - ARPA ESSER - Homeless Children and Youth	State Department of Education	210,210	COVID-19	210,210	COVID-19
	Total 84.425		$170,035,916		$165,801,315	
	TOTAL NON-CLUSTERED PROGRAMS		$292,895,666		$259,437,317	
	TOTAL DEPARTMENT OF EDUCATION		$358,873,795		$322,163,009	
	NATIONAL ARCHIVES AND RECORDS ADMINISTRATION					
89.003	National Historical Publications and Records Grants	Historical Society, Idaho State	$10,750		$10,132	
	TOTAL NATIONAL ARCHIVES AND RECORDS ADMIN		$10,750		$10,132	
	ELECTION ASSISTANCE COMMISSION					
90.404	HAVA Election Security Grants	Secretary of State	$1,162,710		$220,262	
	TOTAL ELECTION ASSISTANCE COMMISSION		$1,162,710		$220,262	
	HEALTH AND HUMAN SERVICES					
	AGING CLUSTER					
93.044	Grants for Supportive Services and Senior Centers	Aging, Commission on	$1,752,649		$1,637,474	
93.044	Grants for Supportive Services and Senior Centers	Aging, Commission on	465,115	COVID-19	441,181	COVID-19
	Total 93.044		$2,217,764		$2,078,655	
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	Aging, Commission on	$4,554,246		$4,223,406	
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	Aging, Commission on	1,107,341	COVID-19	1,089,475	COVID-19
	Total 93.045		$5,661,587		$5,312,881	
93.053	Nutrition Services Incentive Program	Aging, Commission on	$506,939		$506,939	
	TOTAL AGING CLUSTER		$8,386,290		$7,898,475	
	CCDF CLUSTER					
93.575	Child Care and Development Block Grant	Health and Welfare, Department of	$26,498,779		$1,610,124	
93.575	Child Care and Development Block Grant (CARES Act)	Health and Welfare, Department of	90,562,281	COVID-19	82,315,953	COVID-19
	Total 93.575		$117,061,060		$83,926,077	
93.596	Child Care Mandatory & Matching Funds of Child Care & Develop. Fund	Health and Welfare, Department of	$17,465,943			
	TOTAL CCDF CLUSTER		$134,527,003		$83,926,077	
	HEAD START CLUSTER					
93.600	Head Start	Health and Welfare, Department of	$122,411			
	TOTAL HEAD START CLUSTER		$122,411			
	MEDICAID CLUSTER					
93.775	State Medicaid Fraud Control Units	Attorney General, Office of the	$754,133			
93.777	State Survey and Certification of Health Care Providers and Suppliers	Health and Welfare, Department of	1,640,618			
93.778	Medical Assistance Program	Health and Welfare, Department of	2,566,086,124		$176,088	
	TOTAL MEDICAID CLUSTER		$2,568,480,875		$176,088	
	NON-CLUSTER PROGRAMS					
93.041	Programs for Prevention of Elder Abuse, Neglect, and Exploitation	Aging, Commission on	$23,859		$20,000	
93.042	Long Term Care Ombudsman Services for Older Individuals	Aging, Commission on	112,891		112,891	
93.042	Long Term Care Ombudsman Services for Older Individuals	Aging, Commission on	3,192	COVID-19		
	Total 93.042		$116,083		$112,891	
93.043	Disease Prevention and Health Promotion Services	Aging, Commission on	$144,705		$124,954	
93.048	Special Programs for the Aging - Discretionary Projects	Aging, Commission on	213,547		83,565	
93.048	Special Programs for the Aging - Discretionary Projects	Aging, Commission on	77,696	COVID-19	32,029	COVID-19
	Total 93.048		$291,243		$115,594	
93.051	Alzheimer's Disease Demonstration Grants to States	Aging, Commission on	$85,191		$78,137	
93.052	National Family Caregiver Support	Aging, Commission on	1,021,042		937,098	
93.052	National Family Caregiver Support	Aging, Commission on	152,233	COVID-19	128,231	COVID-19
	Total 93.052		$1,173,275		$1,065,329	
93.069	Public Health Emergency Preparedness	Health and Welfare, Department of	$5,165,556		$2,911,803	
93.070	Environmental Public Health and Emergency Response	Health and Welfare, Department of	44,648			
93.071	Medicare Enrollment Assistance Program	Aging, Commission on	74,124		56,708	
93.071	Medicare Enrollment Assistance Program	Insurance, Department of	134,169			
	Total 93.071		$208,293		$56,708	
93.072	Lifespan Respite Care Program	Aging, Commission on	$352,269		$249,893	
93.079	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	State Department of Education	62,782			
93.090	Guardianship Assistance	Health and Welfare, Department of	98,308			
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program	Health and Welfare, Department of	230,396		144,384	
93.103	Food and Drug Administration Research	Agriculture, Department of	338,845		68,975	
93.103	Food and Drug Administration Research	Health and Welfare, Department of	47,263			
	Total 93.103		$386,108		$68,975	
93.110	Maternal and Child Health Federal Consolidated Programs	Health and Welfare, Department of	$107,495			
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	Health and Welfare, Department of	110,313		$43,574	
93.127	Emergency Medical Services for Children	Health and Welfare, Department of	117,747			

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STATE OF IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

AL	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	DIRECT AWARD EXPENDITURES	TYPE*	AMOUNT PROVIDED TO SUBRECIPIENTS	TYPE*
93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	Health and Welfare, Department of	$161,131			
93.136	Injury Prevent. & Control Research and State and Community Based Programs	Health and Welfare, Department of	3,214,461		$964,461	
93.150	Projects for Assistance in Transition from Homelessness (PATH)	Health and Welfare, Department of	240,418		238,582	
93.165	Grants to States for Loan Repayment Program	Health and Welfare, Department of	131,088		108,588	
93.197	Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	Health and Welfare, Department of	81,279			
93.217	Family Planning Services	Health and Welfare, Department of	1,568,296		1,376,410	
93.235	Affordable Care Act (ACA) Abstinence Education Program	Health and Welfare, Department of	213,655		102,133	
93.236	Grants to States to Support Oral Health Workforce Activities	Health and Welfare, Department of	403,432		170,146	
93.240	State Capacity Building	Health and Welfare, Department of	154,210			
93.241	State Rural Hospital Flexibility Program	Health and Welfare, Department of	589,694		136,755	
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	Drug Policy, Office of	2,362,311		1,670,252	
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	Health and Welfare, Department of	1,038,293			
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	State Department of Education	1,900,460		358,502	
	Total 93.243		$5,301,064		$2,028,754	
93.251	Early Hearing Detection and Intervention	Health and Welfare, Department of	$208,015		$30,750	
93.268	Immunization Cooperative Agreements	Health and Welfare, Department of	2,179,891			
93.268	Immunization Cooperative Agreements	Health and Welfare, Department of	6,610,577	COVID-19	4,069,331	COVID-19
93.268	Immunization Cooperative Agreements	Health and Welfare, Department of	24,984,808	NC		
	Total 93.268		$33,775,276		$4,069,331	
93.270	Adult Viral Hepatitis Prevention and Control	Health and Welfare, Department of	$152,817		$21,152	
93.301	Small Rural Hospital Improvement Grant Program	Health and Welfare, Department of	346,193		318,222	
93.301	Small Rural Hospital Improvement Grant Program	Health and Welfare, Department of	275,913	COVID-19	275,484	COVID-19
	Total 93.301		$622,106		$593,706	
93.314	Early Hearing Detection and Intervention Info. Syst. (EHDI-IS) Surveillance Prog.	Health and Welfare, Department of	$132,800			
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Health and Welfare, Department of	1,708,764		$163,970	
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Health and Welfare, Department of	31,186,975	COVID-19	9,881,938	COVID-19
	Total 93.323		$32,895,739		$10,045,908	
93.324	State Health Insurance Assistance Program	Insurance, Department of	$375,049			
93.334	The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving at the State and Local Levels	Health and Welfare, Department of	134,855			
93.336	Behavioral Risk Factor Surveillance System	Health and Welfare, Department of	374,523			
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response (COVID-19 Crisis Response)	Health and Welfare, Department of	2	COVID-19		
93.366	State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	Health and Welfare, Department of	329,072		$104,139	
93.369	ACL Independent Living State Grants	Vocational Rehabilitation, Division of	371,026		270,119	
93.387	National and State Tobacco Control Program	Health and Welfare, Department of	1,108,707		445,964	
93.391	Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	Health and Welfare, Department of	3,387,573	COVID-19	1,418,477	COVID-19
93.426	Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	Health and Welfare, Department of	2,040,886		644,415	
93.434	Every Student Succeeds Act/Preschool Development Grants	Public Television, Idaho	5,137			
93.497	Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports	Health and Welfare, Department of	183,807	COVID-19	16,139	COVID-19
93.498	Provider Relief Fund	Veterans Services, Division of	1,008,879	COVID-19		
93.506	ACA Nationwide Program for National and State Background Checks for Direct Patient Access Employees of Long Term Care Facilities and Providers	Health and Welfare, Department of	142,037			
93.556	Promoting Safe and Stable Families	Health and Welfare, Department of	3,383,532		25,513	
93.556	Promoting Safe and Stable Families	Health and Welfare, Department of	237,358	COVID-19		
	Total 93.556		$3,620,890		$25,513	
93.558	Temporary Assistance for Needy Families	Health and Welfare, Department of	$21,206,187		$1,384,306	
93.563	Child Support Enforcement	Health and Welfare, Department of	11,878,179			
93.566	Refugee and Entrant Assistance State/Replacement Designee Administered Programs	Health and Welfare, Department of	763,601		173,235	
93.568	Low-Income Home Energy Assistance	Health and Welfare, Department of	14,950,791		6,887,761	
93.568	Low-Income Home Energy Assistance (CARES Act)	Health and Welfare, Department of	10,426,434	COVID-19		
	Total 93.568		$25,377,225		$6,887,761	
93.569	Community Services Block Grant	Health and Welfare, Department of	$4,023,528		$3,820,648	
93.569	Community Services Block Grant	Health and Welfare, Department of	2,015,845	COVID-19	2,015,845	COVID-19
	Total 93.569		$6,039,373		$5,836,493	
93.586	State Court Improvement Program	Judicial Department	$371,896			
93.590	Community-Based Child Abuse Prevention Grants	Health and Welfare, Department of	232,825			
93.590	Community-Based Child Abuse Prevention Grants	Health and Welfare, Department of	$156,539	COVID-19		
	Total 93.590		$389,364			

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AL	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	DIRECT AWARD EXPENDITURES	TYPE*	AMOUNT PROVIDED TO SUBRECIPIENTS	TYPE*
93.597	Grants to States for Access and Visitation Programs	Health and Welfare, Department of	$99,895			
93.599	Chafee Education and Training Vouchers Program	Health and Welfare, Department of	73,725			
93.603	Adoption and Legal Guardianship Incentive Payments	Health and Welfare, Department of	153,838			
93.624	ACA - State Innovation Models: Funding for Model Design and Model Testing Assistance	Health and Welfare, Department of	1			
93.630	Developmental Disabilities Basic Support and Advocacy Grants	Health and Welfare, Department of	502,383		$19,250	
93.643	Children's Justice Grants To States	Health and Welfare, Department of	94,113			
93.645	Stephanie Tubbs Jones Child Welfare Services Program	Health and Welfare, Department of	2,367,138			
93.658	Foster Care - Title IV-E	Health and Welfare, Department of	13,105,819			
93.659	Adoption Assistance	Health and Welfare, Department of	11,428,471			
93.665	Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	Health and Welfare, Department of	2,148,339	COVID-19	508,782	COVID-19
93.667	Social Services Block Grant	Health and Welfare, Department of	9,726,180		30,867	
93.669	Child Abuse and Neglect State Grants	Health and Welfare, Department of	522,924			
93.671	Family Violence Prevent & Services/Domestic Violence Shelter & Sup. Services	Health and Welfare, Department of	900,884		860,193	
93.671	Family Violence Prevent & Services/Domestic Violence Shelter & Sup. Services	Health and Welfare, Department of	366,265	COVID-19	319,696	COVID-19
	Total 93.671		$1,267,149		$1,179,889	
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood	Health and Welfare, Department of	$611,865			
93.734	Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs (PPHF)	Aging, Commission on	65,675		$58,748	
93.747	Elder Abuse Prevention Interventions Program	Aging, Commission on	133,340		106,846	
93.767	Children's Health Insurance Program	Health and Welfare, Department of	87,646,994			
93.788	Opioid STR	Health and Welfare, Department of	8,057,784		5,106,064	
93.791	Money Follows the Person Rebalancing Demonstration	Health and Welfare, Department of	1,406,515			
93.796	State Survey Certification of Health Care Providers and Suppliers (Title XIX) Medicaid	Health and Welfare, Department of	1,037,814			
93.845	Promoting Population Health through Increased Capacity in Alcohol Epidemiology	Health and Welfare, Department of	69,471			
93.870	Maternal, Infant and Early Childhood Home Visiting Grant Program	Health and Welfare, Department of	2,873,080		2,307,766	
93.870	Maternal, Infant and Early Childhood Home Visiting Grant Program	Health and Welfare, Department of	63,933	COVID-19	63,812	COVID-19
	Total 93.870		$2,937,013		$2,371,578	
93.889	National Bioterrorism Hospital Preparedness Program	Health and Welfare, Department of	$1,075,321		$770,078	
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	Health and Welfare, Department of	1,500,817		545,302	
93.913	Grants to States for Operation of State Offices of Rural Health	Health and Welfare, Department of	210,457			
93.917	HIV Care Formula Grants	Health and Welfare, Department of	4,339,689		741,886	
93.917	HIV Care Formula Grants	Health and Welfare, Department of	68,044	COVID-19	428	COVID-19
	Total 93.917		$4,407,733		$742,314	
93.940	HIV Prevention Activities - Health Department Based	Health and Welfare, Department of	$996,078		$470,536	
93.958	Block Grants for Community Mental Health Services	Health and Welfare, Department of	4,353,184		362,000	
93.958	Block Grants for Community Mental Health Services	Health and Welfare, Department of	389,232	COVID-19	250,000	COVID-19
	Total 93.958		$4,742,416		$612,000	
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Health and Welfare, Department of	$8,489,747		$905,309	
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants	Health and Welfare, Department of	415,892		271,399	
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants	Health and Welfare, Department of	156,712	COVID-19	35,843	COVID-19
	Total 93.977		$572,604		$307,242	
93.982	Mental Health Disaster Assistance and Emergency Mental Health	Health and Welfare, Department of	$572,149		$130,009	
93.982	Mental Health Disaster Assistance and Emergency Mental Health	Military, Division of	119,153			
	Total 93.982		$691,302		$130,009	
93.991	Preventive Health and Health Services Block Grant	Health and Welfare, Department of	$598,490		$353,799	
93.994	Maternal and Child Health Services Block Grant to the States	Health and Welfare, Department of	3,254,655		1,257,015	
	Pass-Through From Non-State Entities					
93.103	Food and Drug Administration Research Association of Food & Drug Officials; Grant # G-ME-2004-02385 & G-1910-02115 &G-ME-2003-02265 & G-2010-02651	Agriculture, Department of	23,855	PT		
	TOTAL NON-CLUSTER PROGRAMS		$337,691,941		$57,561,107	
	TOTAL HEALTH AND HUMAN SERVICES		$3,049,208,520		$149,561,747	
	CORPORATION FOR NATIONAL & COMMUNITY SERVICE					
94.003	State Commissions	Labor, Department of	$279,001			
94.006	AmeriCorps	Labor, Department of	1,152,055		$1,137,743	
94.008	Commission Investment Fund	Labor, Department of	158,917			
94.013	Volunteers in Service to America	Correction, Department of	4,251			
	TOTAL CORPORATION FOR NATIONAL & COMMUNITY SERVICE		$1,594,224		$1,137,743	

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STATE OF IDAHO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

AL	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	DIRECT AWARD EXPENDITURES	TYPE*	AMOUNT PROVIDED TO SUBRECIPIENTS	TYPE*
	EXECUTIVE OFFICE OF THE PRESIDENT					
	Pass-Through From Non-State Entities					
95.001	High Intensity Drug Trafficking Areas Program	Police, Idaho State	$239,309	PT	$114,953	PT
	Office of National Drug Control Policy					
	TOTAL EXECUTIVE OFFICE OF THE PRESIDENT		$239,309		$114,953	
	SOCIAL SECURITY ADMINISTRATION					
	DISABILITY INSURANCE/SSI CLUSTER					
96.001	Social Security Disability Insurance	Labor, Department of	$10,016,254			
	TOTAL DISABILITY INSURANCE/SSI CLUSTER		$10,016,254			
	NON-CLUSTERED PROGRAMS					
96.U23	Vital Statistics Birth Records Grants	Health and Welfare, Department of	$38,045			
96.U24	Vital Statistics Cooperative Program	Health and Welfare, Department of	275,406			
96.U25	Social Security Birth and Death Reports	Health and Welfare, Department of	54,588			
	TOTAL NON-CLUSTERED PROGRAMS		$368,039			
	TOTAL SOCIAL SECURITY ADMINISTRATION		$10,384,293			
	DEPARTMENT OF HOMELAND SECURITY					
97.008	Nonprofit Security Grant Program	Military, Division of	$124,793		$124,793	
97.012	Boating Safety Financial Assistance	Parks and Recreation, Department of	1,348,604		713,793	
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)	Water Resources, Department of	113,574			
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Health and Welfare, Department of	33,413,229	COVID-19	8,900,000	COVID-19
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Military, Division of	146,776,143	COVID-19	16,100,681	COVID-19
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Military, Division of	7,318,899		6,640,109	
	Total 97.036		$187,508,271		$31,640,790	
97.039	Hazard Mitigation Grant	Military, Division of	$1,024,262		$975,179	
97.041	National Dam Safety Program	Water Resources, Department of	179,883			
97.042	Emergency Management Performance Grants	Military, Division of	3,378,268		1,425,205	
97.042	Emergency Management Performance Grants	Military, Division of	686,013	COVID-19	196,645	COVID-19
	Total 97.042		$4,064,281		$1,621,850	
97.043	State Fire Training Systems Grant Program	Career-Technical Education, Division of	$2,583			
97.045	Cooperating Technical Partners	Military, Division of	19,434			
97.045	Cooperating Technical Partners	Water Resources, Department of	5,279			
	Total 97.045		$24,713			
97.046	Fire Management Assistance Grant	Military, Division of	$19,207		$19,207	
97.047	Pre-Disaster Mitigation	Military, Division of	16,183		7,200	
97.050	Presidential Declared Disaster Assistance to Individuals and Households - Other Needs	Labor, Department of	(4,745)			
97.067	Homeland Security Grant Program	Military, Division of	3,032,901		2,359,002	
97.082	Earthquake Consortium	Military, Division of	52,810			
97.111	Regional Catastrophic Preparedness Grant Program (RCPGP)	Military, Division of	1,135			
	TOTAL DEPARTMENT OF HOMELAND SECURITY		$197,508,455		$37,461,814	
	RESEARCH AND DEVELOPMENT CLUSTER					
	DEPARTMENT OF AGRICULTURE					
10.170	Specialty Crop Block Grant Program - Farm Bill	Agriculture, Department of	$1,999,957	R&D	$1,623,399	R&D
	Research and Development Cluster: Agricultural Marketing Service University of California, Davis; Grantor Number Prime Agrmt No. 2016-37620-25851 or Research Agrmt No. 201603794-11					
	TOTAL DEPARTMENT OF AGRICULTURE		$1,999,957		$1,623,399	
	DEPARTMENT OF LABOR					
17.002	Labor Force Statistics	Labor, Department of	$557,562	R&D		
	Research and Development Cluster: Bureau of Labor Statistics					
17.005	Compensation and Working Conditions	Labor, Department of	6,351	R&D		
	Research and Development Cluster: Compensation and Working Conditions					
	TOTAL DEPARTMENT OF LABOR		$563,913			
	DEPARTMENT OF TRANSPORTATION					
20.205	Highway Planning and Construction	Transportation Department, Idaho	$802,440	R&D		
	Research and Development Cluster: Federal Highway Administration					
	TOTAL DEPARTMENT OF TRANSPORTATION		$802,440			
	HEALTH AND HUMAN SERVICES					
93.631	Developmental Disabilities Projects of National Significance	Health and Welfare, Department of	$70,408	PT, R&D		
	Research and Development Cluster: Administration for Community Living					
	Administration for Community Living (ACL)					
	Regents of the University of Idaho					
	Grantor ID: DD3083-SB-854941					
	TOTAL HEALTH AND HUMAN SERVICES		$70,408			
	TOTAL RESEARCH AND DEVELOPMENT CLUSTER		$3,436,718		$1,623,399	
	TOTAL EXPENDITURES OF FEDERAL AWARDS		$5,078,670,451		$896,393,287	

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The accompanying notes are an integral part of this schedule.

STATE OF IDAHO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Purpose of the Schedules

The supplementary Schedule of Expenditures of Federal Awards (schedules) are in addition to the State's basic financial statements and are presented for purposes of additional analysis. The schedule by federal agency is required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance). Uniform Guidance is issued by the Office of Management and Budget (OMB) pursuant to the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act Amendments of 1996, P.L. 104-156.

B. Reporting Entity

The reporting entity includes all State departments and entities included in the State's *Annual Comprehensive Financial Report* (*ACFR*). This report includes all federal awards except for the colleges and universities and the Idaho Housing and Finance Association, which are audited by independent certified public accountants and published under separate cover.

C. Basis of Accounting

The schedules were prepared using the cash basis of accounting. Expenditures are recognized when paid, rather than when obligations are incurred. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

D. Basis of Presentation

Expenditures of Federal Awards – In accordance with the Uniform Guidance, federal awards are federal cost-reimbursement contracts or federal financial assistance (cash or non-cash) in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance. Awards may be received directly from a federal agency or indirectly from a pass-through entity. Contracts between the State and Federal government for which the Federal Government procures tangible goods or services are not considered to be expenditures of federal awards.

Assistance listing – refers to the publicly available listing of Federal assistance programs managed and administered by the General Services Administration.

Assistance listing number – a unique number assigned to identify a Federal Assistance Listings.
Uniform Guidance requires the schedules to provide total federal awards expended by the State for each individual federal program by Assistance Listing (AL) number. Federal programs that have not been assigned a specific AL number are assigned a miscellaneous AL number. The first two digits (prefix) of a miscellaneous AL number identify the federal awarding agency followed by a three-digit extension (e.g., U01, U02, etc.).

Program Clusters – Closely related programs with different assistance listing numbers that share common compliance requirements are considered "program clusters." The Schedule of Expenditures of Federal Awards by Federal Agency displays programs by program cluster as mandated by the Uniform Guidance. Programs not included within a designated cluster are presented under the title "NON-CLUSTERED PROGRAMS." Programs identified as research and development are grouped together in the "RESEARCH AND DEVELOPMENT CLUSTER."

Valuation of Non-Cash Assistance – Non-cash awards are identified by "NC" on the schedules. Non-cash expenditures of federal awards were determined as follows:

1. AL 10.551, Supplemental Nutrition Assistance Program (SNAP) – reported at the dollar value (fair market value) of electronic benefit transfers authorized and used for food purchases by recipients.

2. AL 10.555, National School Lunch Program – reported at the fair market value of the food commodities distributed.

3. AL 10.569, Emergency Food Assistance Program (Food Commodities) – reported at the fair market value of the food commodities distributed.

4. AL 39.003, Donation of Federal Surplus Personal Property – reported at the fair market value of donated property as determined by General Services Administration (GSA). GSA designated fair market value at 23.68% of original acquisition cost.

5. AL 93.268, Immunization Cooperative Agreements – reported at the federally assigned value of the serum distributed.

NOTE 2 – DE MINIMIS COST RATE

The following agencies use the 10% de Minimis indirect cost rate: The Office of Drug Policy, Public Broadcasting, Idaho Career and Technical Education, and the STEM Action Center.

NOTE 3 – UNEMPLOYMENT INSURANCE

State Funds Included with Federal Funds: State unemployment insurance funds are included with federal funds in the total expenditures for AL 17.225. The State portion was $68,149,811 and the federal portion was $26,069,325.

NOTE 4 – LOANS OUTSTANDING

The following loan programs are administered on behalf of federal awarding agencies:

A. The Office of Energy Resources administers loan and grant programs (AL 81.041) for the U.S. Department of Energy. The original source of these funds was petroleum price violations. The funds are used to finance various energy conservation projects. The outstanding principal and interest at June 30, 2022, was $202,180. The Office of Energy Resources determined uncollectible accounts to be $0.

B. The Department of Environmental Quality administers loans for the Capitalization Grants for Clean Water State Revolving Funds (AL 66.458) and the Capitalization Grants for Drinking Water State Revolving Funds (AL 66.468). These revolving funds make loans to qualified agencies for various water treatment projects. The loans are funded by the federal capitalization grants, State match, and revolving funds. The loans are disbursed as borrowers incur costs and are repaid over 20 years starting within one year after project completion. Interest rates vary between 0 percent and 4.5 percent. Management considers all loans to be fully collectible, so the Department of Environmental Quality determined uncollectible accounts to be $0.

STATE OF IDAHO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Loan programs at June 30, 2022:

CAPITALIZATION GRANTS FOR CLEAN WATER - AL 66.458

	Loan Authorized	Principal Repayments	Remaining Commitment	Receivable Balance
Completed Projects	$ 303,591,279	$ 118,464,886		$ 185,126,393
Projects in Progress	252,325,659		$ 136,835,751	115,489,908
Totals	$ 555,916,938	$ 118,464,886	$ 136,835,751	300,616,301
Less: Amount Due Within 1 Year				12,027,051
Loans Receivable Net of Current Maturities				$ 288,589,250

CAPITALIZATION GRANTS FOR DRINKING WATER - AL 66.468

	Loan Authorized	Principal Repayments	Remaining Commitment	Receivable Balance
Completed Projects	$ 131,342,288	$ 51,373,945		$ 79,968,343
Projects in Progress	117,566,656		$ 59,194,747	58,371,909
Totals	$ 248,908,944	$ 51,373,945	$ 59,194,747	138,340,252
Less: Amount Due Within 1 Year				5,275,367
Loans Receivable Net of Current Maturities				$ 133,064,885

STATE OF IDAHO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

AUDITOR'S RESULTS

STATE OF IDAHO
SUMMARY OF AUDITOR'S RESULTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

BASIC FINANCIAL STATEMENTS

1. Type of auditor's report issued: ***Unmodified***

2. Internal control over financial reporting:
   - Material weaknesses identified? x yes ___ no
   - Significant deficiencies identified? x yes ___ none reported

3. Noncompliance material to financial statements noted? ___ yes x no

FEDERAL AWARDS

4. Internal control over major programs:
   - Material weaknesses identified? x yes ___ no
   - Significant deficiencies identified? x yes ___ none reported

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

SNAP Cluster	*Qualified*
Food Distribution Cluster	*Qualified*
Fish and Wildlife Cluster	*Unmodified*
Emergency Rental Assistance Program	*Unmodified*
Coronavirus State and Local Fiscal Recovery Funds	*Unmodified*
State Veterans Home Construction	*Unmodified*
Improving Teacher Quality State Grants	*Unmodified*
Education Stabilization Fund	*Qualified*
Aging Cluster	*Qualified*
Children's Health Insurance Program	*Unmodified*
Medicaid Cluster	*Unmodified*
Opioid STR	*Unmodified*
Block Grants for Prevention and Treatment of Substance Abuse	*Unmodified*

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the *Uniform Guidance*? x yes ___ no

7. Identification of major programs:

Program/Cluster Title	AL #
SNAP Cluster	10.551, 10.561
Food Distribution Cluster	10.565, 10.568, 10.569
Fish and Wildlife Cluster	15.605, 15.611, 15.626
Emergency Rental Assistance Program	21.023
Coronavirus State and Local Fiscal Recovery Funds	21.027
State Veterans Home Construction	64.005
Improving Teacher Quality State Grants	84.367
Education Stabilization Fund	
Governor's Emergency Relief Fund	84.425C
Elementary and Secondary School Emergency Relief Fund	84.425D
Emergency Assistance for Non-Public Schools	84.425R
ARPA ESSER III	84.425U
ARPA ESSER - Homeless Children and Youth	84.425W

Aging Cluster	93.044, 93.045, 93.053
Children's Health Insurance Program	93.767
Medicaid Cluster	93.775, 93.777, 93.778
Opioid STR	93.788
Block Grants for Prevention and Treatment of Substance Abuse	93.959

8. Dollar threshold used to distinguish between Type A and Type B programs: $15,229,599

9. Auditee qualified as a low-risk auditee? ___ yes __x__ no

STATE OF IDAHO
SCHEDULE OF BASIC FINANCIAL STATEMENTS FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STATE OF IDAHO
BASIC FINANCIAL STATEMENTS FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

OFFICE OF THE STATE CONTROLLER (Office)

FINDING 2022-101

The Office's internal review process did not prevent or detect misstatements in the statewide ACFR submitted to the auditors.

Type of Finding: Significant Deficiency

Criteria: The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include risk assessment and control activities. Risk assessment is the identification and analysis of various risks entities face because of changing economic, industry, regulatory, and operating conditions. It provides a basis to develop appropriate responses to manage those risks. Control activities are policies and procedures that help ensure management directives are carried out and risks are mitigated, including verifications, approvals, reconciliations, authorizations, and segregation of duties that support this objective. Information and communication relate to obtaining quality information and effective internal and external communication of that information to achieve management objectives. Monitoring is the evaluation of results of the internal controls system and remediation of deficiencies in a timely manner.

Management objectives should include the preparation and fair presentation of the ACFR in conformity with accounting principles generally accepted in the United States of America and compliance with applicable laws and regulations.

Idaho Code, Section 67-1001(2), requires that the Office submit Generally Accepted Accounting Principles (GAAP) financial statements to the governor and Legislative Services Office on or before the first day of January for the preceding fiscal year. The Office achieves compliance through the preparation and submission of the statewide ACFR.

Idaho Code, Section 67-1007, states that the State controller may examine any of the books, papers, accounts, bills, vouchers, or other documents of property of any or all of the State officers and custodians of State funds.

Condition: Several misstatements and presentation errors were either identified by the auditors and communicated to management during the audit process or identified by the Office after the financial statements were provided to the auditors. The following items exceeded our trivial thresholds, but did not exceed the materiality thresholds, for the applicable opinion unit and were corrected prior to issuing the ACFR:

Note 2:

- We noted the Primary Government and Fiduciary Funds Fair Value of Investments table understated the Quoted Price in Active Markets for Identical Assets (Level 1) by $2.5 million.
- The disclosure for the investment policy of the Endowment Fund Investment Board (EFIB) incorrectly stated international equities as an allowable investment, this should have been disclosed as international securities.
- The Primary Government and Component Units, Restricted Assets table was understated by $144.9 million on the Restricted Cash: Legislation and Donations line. This error caused overstatements of $144.9 million on the Statement of Net Position, Governmental Activities column, Pooled Cash and Investments line, as well as the Governmental Fund Balance Sheet, General Fund column, Pooled Cash and Investments line. Conversely Restricted Cash was understated on these statements.

Note 3:

- The Interest Rate Swap Agreement (June 30, 2022) table was overstated by $0.5 million.
- The Investment Derivatives statement was incorrectly dated June 30, 2021; this should be dated June 30, 2022.
- The TBA Forward Contracts (June 2022) did not include the Coupon Rate and Counterparty Credit Rating for one of the contracts (August 2022).

Note 6:

- The Capital Assets in Progress (CIP) decreases amount was overstated, and the beginning balance was understated by $88.6 million. The infrastructure beginning balance was understated by $136.4 million, the increases were overstated by $170.8 million, and the decreases were overstated by $31.1 million.

Note 7:

- The Deferred Inflows of Revenue table, Business-Type Activities Column understated the Service Concession Arrangement amounts by $39.0 million and overstated Other Deferred Inflows by the same amount. Both of these lines flow to the Deferred Inflows line on the financial statements and did not cause a misstatement.

Note 8:

- We noted that changes in assumptions affected the measurement of the total pension liability since the prior management date for the Public Employment Retirement System of Idaho (PERSI) Base Plan; these changes were not disclosed. GASB 68 paragraph 80d requires a brief description of these changes.

Note 9:

- The Long-Term Disability section had language stating that all employees disabled on or after July 1, 2003, have an insured benefit and are not subject to GASB 75 (income benefit). Later in the discussion, it stated that all employees disabled on or after July 1, 2012, have an insured benefit and are not subject to GASB 75 (insurance benefit). These paragraphs should have stated that, as of July 1, 2020, all employees have an insured benefit and are not subject to GASB 75 because premium payments are made before a disabled member's separation from employment.
- The Discount Rate Sensitivity table for the University of Idaho (Other Post-Employment Benefit (OPEB) incorrectly reported the discount rate to be 6 percent +/- 1 percent; this should be 5.75 percent +/- 1 percent.
- The Net OPEB Liability (Asset), OPEB Expense, and Deferrals paragraph states that "Employer proportionate shares were determined utilizing a single-period measure of contributions as of June 30, 2021." Because the schedule of employer allocations continues to use contribution amounts from 2020 to determine proportionate shares, this date should be June 30, 2020.
- There were changes of assumptions for the Sick Leave Insurance Reserve Fund (SLIRF) OPEB plan that affected measurement of the total OPEB liability since the prior measurement year. However, a discussion of what these changes in assumptions are, as required by GASB 75:96d, was not included.

Note 11:

- Included in the note was a schedule showing future minimum rentals for leases receivables. GASB 87 paragraph 59 requires this disclosure, "if a lessor's principal ongoing operations consist of leasing assets to other entities." Since the State's principal ongoing operations are not to lease assets to other entities, this disclosure is not required.
- GASB 87 paragraph 57b, requires the total amount of inflows for resources recognized in the reporting period from leases to be disclosed, if that amount cannot be determined based on amounts displayed on the face of the financial statements. This disclosure was not included and resulted in the omission of inflows from Governmental Activities of $0.4 million in interest revenue and $3.5 million in lease revenue; inflows for Business Type Activities of $0.7 in interest revenue and $3.3 million in lease revenue; and inflows for Component Units of $0.1 million in interest revenue and $0.6 million in lease revenue. Amounts were missing from the disclosure only and were properly included in the financial statements.
- Tables disclosing the right-to-use assets and future minimum lease commitments for noncancelable leases payable for the State as lessee included component units in the total for the primary government. Component units are not part of the primary government and should not be included in the primary government total.

Note 13:

- The total interest for the Component Units Revenue Bond Debt Service Requirements to Maturity Schedule was understated by $0.5 million.
- The Component Unit Note debt service requirements to maturity Schedule reported the incorrect Interest Rate range for the Idaho Housing and Finance Association. It was listed as 0.00 percent to 9.25 percent and should have been reported as 0.00 percent to 6.71 percent.
- On the Governmental Activities Note Debt Service Requirements to Maturity Schedule the line for 2038-2042 was understated by $18.1 million.
- The Changes in Long-Term Liabilities Schedule, the amounts for Governmental Activities: Leases Payable, Increases ($44.9 million) and Business Type Activities: Net Pension Liability, Decreases ($87.7 million) were formatted so it appears as if there is a $0 value there.
- The Changes in Long-Term Liabilities Schedule, the amount for Component Units: Notes Payable, Amounts Due in One Year, was overstated by $3 million This also resulted in the Long-Term Liabilities: Due Within One Year being overstated and the Long-Term Liabilities: Due in More Than One Year being understated by $3 million for component units on the government-wide Statement of Net Position.
- In Section E. Claims and Judgements, Primary Government, the disclosure for the Department of Environmental Quality states: "As of June 30, 2020, the amended remediation cost estimate was $137.9 million." The fiscal year should have been updated to June 30, 2022.
- The disclosure for the Petroleum Clean Water Trust Fund's (PCWTF) policy claim liabilities of $5 million should not be included in Section E. Claims and Judgements, Primary Government. GASB 34 paragraphs 113, 115a, and 116-120 do not specifically say that fiduciary component units should be included in the note disclosure for long-term liabilities and instead focus on disclosures about capital assets and long-term liabilities of the Primary Government reported in the statement of net position, from which the fiduciary funds are excluded.
- The disclosure for the Transportation Expansion and Congestion Mitigation (TECM) bonds overstated the amount that has been borrowed by $9.3 million.

Note 14:

- We noted the disclosure related to the Governmental Activities beginning net position was overstated by $47.8 million. In addition, on the government-wide Statement of Net Position the Governmental Activities Nondepreciable Capital Assets were overstated by $3.2 million and on the Statement of Activities the Governmental Activities Economic Development expenses were understated by $51.0 million.

Colleges and Universities Cash Flow Statements:

- The noncash transaction footnote for college and university assets acquired through donations was overstated by $2.1 million.

Management Discussion & Analysis: The statement under Business-Type Activities incorrectly stated that expenses for the Colleges and University decreased by 11.1 percent when this should have been reported as an increase.

- The discussion for Governmental Funds overstated the change in fund balance by $0.2 billion.
- The financial analysis of the federal stimulus fund incorrectly stated an increase in net position of $252.5 million; this should be reported as a decrease of $3.9 million.
- The paragraph directly following the capital asset table did not reflect updated information based on changes made to Notes 6 and 14 for additions to roadways and infrastructure capital assets in progress. The disclosure understated additions to infrastructure capital assets in progress by $48.1 million and overstated additions to roadways by $170.8 million.
- The capital asset table understated the restated beginning balance for Governmental Activities, Land and Land Use Rights and Machinery Equipment, and Other by $236.6 million. Additionally, the Machinery, Equipment, and Other, net of depreciation for fiscal year 2021 overstated by $63.1 million.

- The financial analysis of Business-Type Activities included an explanation stating that college and university expenses increased by $126.3 million due to an increase in the sale of goods and services of $48.4 million. This explanation should reference the increase in expenses for services and supplies or benefits, awards, and premiums to explain the increase in expenses instead of referencing the increase in revenues from sales from goods and services.

RSI:

- GASB 68 paragraph 81(b) and GASB 75 paragraph 97 (b) require a 10-year schedule for contributions of governmental non-employer contributions that are established statutorily or contractually. Column (a) in the Schedule of Employer Contributions for the PERSI Base Plan and SLIRF should be using 'statutorily required' contributions instead of 'actuarially determined' contributions required by GASB 67 and GASB 74.
- Changes in assumptions were noted by PERSI that affected the measurement of the total pension liability for the PERSI Base Plan since the prior measurement date. GASB 68 paragraph 82 requires disclosure of information about factors that affected trends in the amounts reported in the required RSI schedules, including the use of different assumptions. This disclosure was not included in the RSI.
- GASB 75 paragraph 58 requires disclosure of information about factors that affected trends in the amounts reported in the required RSI schedules, including the use of different assumptions. Changes of assumptions were described in Note 9 for the University of Idaho OPEB plan. However, this disclosure was not included in RSI as required by GASB.

The following items exceeded our trivial thresholds, but did not exceed the materiality thresholds, for the applicable opinion unit and were not changed prior to issuance:

- Component Unit Materiality Determination:
    - Several blended and discrete component units identified by the SCO are excluded from the statewide ACFR. The following entities had amounts that exceeded the trivial threshold for aggregate discretely presented component units.
        - Friends of Public TV Foundation
        - Bureau of Education Services for Deaf & Blind
        - Idaho Youth Challenge Foundation (Military)

- Financial Statement Error:
    - Rebates payable of $144.9 million were not reported on the Statement of Net Position, Governmental Activities column or the Governmental Fund Balance Sheet, General Fund column.

Cause: Internal controls over the compilation process for the ACFR included review of work by a staff member independent of the staff member completing the work; however, these review processes did not prevent or detect the misstatements, errors, and omissions listed above. Additionally, errors identified in the draft related to Notes 2, 6, and 14 were due to State agencies not reporting relevant financial information.

Effect: The financial statements and note disclosures submitted for audit contained several misstatements and information that was not clearly presented; the amounts of which were not material but exceeded our trivial threshold.

Recommendation: We recommend that the Office strengthen the review process over the compilation of the ACFR to ensure that the financial statements, note disclosures, and other information contained therein agree to the documentation that supports those amounts, including closing packages and outside audits.

Management's View: *The Office agrees with this finding. Most errors were corrected prior to issuance of the financial statements.*

Corrective Action: *The State Controller's Office acknowledges the misstatements and presentation errors identified by the auditors. Most errors were corrected prior to the issuance of the financial statements. The office* *will continue to evaluate and make improvements to the internal review procedures along with improved analysis of the trends from one year to another. We will work with entities that we rely on for information to provide updated and correct information, including agencies that provide closing packages as well as audited financial statements. We will update coding information sheets to correct any identified errors. With new guidance being implemented we will do an extra review to validate all information required by guidance is incorporated. We will adjust internal deadlines to provide more time for thorough reviews. The office will continue to communicate with component units to receive correct and timely information prior to the first draft.*

Auditor's Concluding Remarks: We thank the Office for its cooperation and assistance throughout the audit.

FINDING 2022-102
The Office's internal review procedures did not prevent or detect the understatement of Unrestricted Net Position and the overstatement of Net Position-Restricted for Other Purposes on the Component Unit Statement of Net Position.

Type of Finding: Material Weakness

Criteria: The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include risk assessment and control activities. Risk assessment is the identification and analysis of various risks entities face because of changing economic, industry, regulatory, and operating conditions. It provides a basis to develop appropriate responses to manage those risks. Control activities are policies and procedures that help ensure management directives are carried out and risks are mitigated, including verifications, approvals, reconciliations, authorizations, and segregation of duties that support this objective. Information and communication relate to obtaining quality information and effective internal and external communication of that information to achieve management objectives. Monitoring is the evaluation of results of the internal controls system and remediation of deficiencies in a timely manner.

Management objectives should include the preparation and fair presentation of the ACFR in conformity with accounting principles generally accepted in the United States of America and compliance with applicable laws and regulations.

Idaho Code, Section 67-1001(2), requires that the Office submit Generally Accepted Accounting Principles (GAAP) financial statements to the governor and Legislative Services on or before the first day of January for the preceding fiscal year. The Office achieves compliance through the preparation and submission of the statewide ACFR.

GASB 34 paragraph 34 (as amended by statement 63 paragraph 10) states that net position should be reported as restricted when constraints on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or when imposed by law through constitutional provisions or enabling legislation. GASB 46 further amends the definition of legal enforceability.

Condition: The following misstatement was identified by the auditors and communicated to management during the audit process after the financial statements were provided to the auditors. The following item exceeded our materiality threshold for the Aggregate Discretely Presented Component Units statements but was corrected prior to issuing the ACFR:

- The amount listed as Restricted for Other Purposes of $625.2 million on the Component Units Statement of Net Position was not supported by the component unit's audit report. Review of the audit report noted this amount should be reported as Unrestricted Net Position.

Cause: The Office did not properly assess if the amounts for the component unit should have been restricted in the current year. The Office operated under the assumption that it was set up appropriately in prior years without reviewing or maintaining the original supporting documentation.

Effect: The financial statements submitted for audit contained misstatements that exceeded our materiality threshold for Aggregate Discretely Presented Component Units. The Unrestricted Net Position on the Component Units Statement of Net Position was understated by $625.2 million and Net Position-Restricted for Other Purposes was overstated by the same amount.

Recommendation: We recommend that the Office strengthen the review process over the compilation of the ACFR to ensure the financial statements agree to documentation supporting those amounts.

Management's View: *The Office agrees with this finding.*

Corrective Action: *The State Controller's Office acknowledges the errors identified by the auditors. These errors were corrected prior to the issuance of the financial statements. We updated our grouping structure to be in line with the correct reporting.*

Auditor's Concluding Remarks: We thank the Office for its cooperation and assistance throughout the audit. While the steps taken will address this specific error, it is important that the Office improve internal controls to prevent and/or detect and correct errors of this nature in the future, prior to completion of the financial statements for audit.

STATE DEPARTMENT OF EDUCATION (Department)

FINDING 2022-103

The Department is not properly monitoring data that supports foundation payments made to school districts and charter schools.

Type of Finding: Significant Deficiency

Criteria: Idaho Code, Title 33, Chapter 10, establishes the foundation program and how the payments for education support shall be calculated. Included in this section are the rules for data elements that are included in the calculation of this payment. Further, this section states that the State Board of Education and/or State Superintendent of Public Instruction shall establish rules on the method of data collection. The Idaho Administrative Procedures Act (IDAPA) 08.02.01 notes that data must be submitted through the State longitudinal system.

Idaho Code, Section 33-701(6), requires school districts to submit audited financial statements for review by the Department by November 10 each year. If the Department requests further explanation or additional information regarding the audit report, the school districts shall provide a full and complete response within 30 days of the request.

Idaho Code, Section 33-701(7), requires school districts to file annually with the Department such financial and statistical reports required by the State Superintendent of Public Instruction.

The Department published a memo, Memorandum to Auditors of Idaho's Public School Districts and Charter Schools (Memo) that outlines several areas that the Department requests the auditors to review and test during the audit of Idaho's public schools. Specific areas of review include a review of revenue and expenditure coding, review of the accuracy of the school's attendance, staffing, and pupil transportation data, among other things.

The Internal Control Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include risk assessment and control activities and monitoring. Control activities are policies and procedures that help ensure management directives are carried out and risks are mitigated, including verifications, approvals, reconciliations, authorizations, and segregation of duties that support this objective. Monitoring is the evaluation of results of the internal controls system and remediation of deficiencies in a timely manner.

Condition: The Department uses data from the Idaho System for Education Excellence (ISEE), which is the State longitudinal system required through IDAPA 08.02.01, to calculate and distribute foundation payments to Idaho school districts. School districts directly submit the required data, such as student attendance and teacher information through ISEE.

The Department relies on financial audits completed by CPA firms to verify the support for and internal controls over the data entered by the school districts and provides the Memo described in the criteria above to the CPA firms contracted by school districts and charter schools to complete those financial audits. The Memo includes specific items for review and suggested testing to be completed by the contracted auditors. The Department asserted that these reports will identify problems with the accuracy of the data, so we selected a sample of financial audits submitted by the school districts for testing. There was no indication in any of the reports we reviewed that the school districts' auditors tested or reviewed the specific items outlined in the Memo, nor was there any evidence available that Department personnel confirmed these tests were completed and that they have received or reviewed the results from this work.

We further inquired about procedures performed by the Department staff to verify that the procedures listed in the Memo are performed, the results of those procedures, and to verify the accuracy of the data uploaded to the ISEE. We were unable to identify monitoring activities completed by the Department to verify the accuracy of source data entered into ISEE, or the results related to any of the other items included in the Memo for auditors to review.

We also discussed the analytical procedures performed by staff at both the Department and the Board of Education on the ISEE information to identify anomalies in the data. We viewed the ISEE portal reports used for these analytics. Based on our understanding, these procedures are performed once the data has been transmitted to ISEE and would not necessarily detect issues with specific requirements relating to the data entered at the district level, such as weaknesses in controls around data entry, errors in staffing information, or enrollment/daily attendance levels other than larger variances from year to year.

Cause: The Department requests that the school district and charter school auditors review the data entered into ISEE related to staff and student information during the financial statement audits at the school districts. However, the Department has specifically stated that they do not require the results of these recommended procedures be reported to the Department or any other assurance that these procedures have been performed by the auditors, nor do they review this information during site visits. Additionally, standard audit procedures would not specifically test all of the items in the Memo to the level requested by the Department, so reliance on these audit reports would not be appropriate for these specific items.

Effect: Each year, the Department distributes over $2 billion to schools, the majority of their general maintenance and operating revenues. The amount distributed is based on attendance and staffing information provided by the public schools through the ISEE data reporting. Without assurances that the data input into the system is accurate, the Department is at risk of providing incorrect payments to school districts.

Recommendation: We recommend that the Department implement monitoring procedures to ensure that the data submitted by school districts and charter schools and entered into the ISEE is accurate and reliable. Monitoring procedures could include requiring auditors to report on the procedures performed as part of the financial statement audit process or including procedures in the site visits completed by the Department. The Department currently performs site visits annually, and these monitoring procedures could be a part of that review. Additionally, the Office of Performance Evaluators recommended (in a report issued in January 2004 and referenced in the Memo referred to above) that the Department establish a process for an annual review of a small sample of school district financial audits to assess the adequacy of the work performed by the audit firms to test the accuracy of data school districts report to the

Department. This is another procedure that should be performed by the Department to ensure compliance with the requirements they have established if they intend to continue to rely on and require the audit firms to complete the monitoring.

Management's View: *The Department agrees with the finding.*

Corrective Action: *School Finance will implement a Letter of Assurance completed by school auditors acknowledging the review of auditing recommendations set forth in the annual memo. This document will outline key areas of focus and provide reassurance that these areas are being reviewed. Specifically, a question would be included asking if auditors reviewed internal controls for data submission and verified the accuracy of staffing and student information submitted by schools during the period of audit. While public school finance staff do currently review the audits submitted, the department will develop an additional deeper review of a small sample of district/charter school audits to verify accuracy of data reporting.*

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit.

DEPARTMENT OF HEALTH AND WELFARE, (Department)

FINDING 2022-104
The Department's internal review process did not prevent or detect errors in the Accounts Receivable closing package for the statewide ACFR.

Type of Finding: Significant Deficiency

Criteria: The *Internal Control Integrated Framework,* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), identifies control activities that help ensure management directives are carried out and risks are mitigated. These activities include adequate review and authorization of financial reporting and using the general ledger or other reliable records as the basis for reports.

Additionally, each year, State agencies are required to report accounting information to the Office of the State Controller (Office) in the form of closing packages, which provide the details necessary to prepare the statewide *Annual Comprehensive Financial Report* (ACFR). The Office provides instructions for preparing the closing packages in accordance with Generally Accepted Accounting Principles (GAAP).

Condition: The Department uses a Federal Medical Assistance Percentage (FMAP) rate as a variable in the estimation process to calculate the State Share of Medicaid Receivables reported on the accounts receivable closing package. An incorrect FMAP rate (70.21 percent) was used to calculate the State Share of Medicaid Receivables in the Department's submission of the accounts receivable closing package prior to the audit. The correct FMAP rate was 76.41 percent, which includes a 6.2 percent COVID-19 FMAP increase that was approved through December 31, 2022.

The use of the incorrect FMAP rate caused an overstatement of $147,856 in the accounts receivable balance, an overstatement of $6,043,172 in revenue, and an understatement of $5,895,316 in unavailable revenue as of June 30, 2022.

Subsequent to communication with the Department regarding the errors noted during the audit, the Department resubmitted information to the Office of the State Controller to correct the misstatements.

Cause: The Department's final review procedures over the accounts receivable closing package were not performed at a level sufficient to identify and correct the errors prior to submission to the Office of the State Controller.

Effect: In the absence of the audit work completed, the statewide ACFR would have included an overstatement of $147,856 in the accounts receivable balance, an overstatement of $6,043,172 in revenue, and an understatement of $5,895,316 in unavailable revenue as of June 30, 2022, in relation to the Department's financial transactions.

Recommendation: We recommend that the Department strengthen the review process over the completion and submission of closing packages to ensure that accurate and reliable financial information is provided to the Office of the State Controller.

Management's View: *The Department agrees with this finding.*

Corrective Action: *Compilation procedures and review processes will be strengthened to reduce the risk of non-compliance. Future closing packages will incorporate checklists and/or comparative analysis enhancements to mitigate the risk of inaccurate reporting of FMAP rates and other information.*

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit.

IDAHO STATE TAX COMMISSION (Commission)

FINDING 2022-105

The Commission failed to report the Idaho Tax Rebate Fund restricted cash balance of $144.8 million and the related accounts payable liability.

Type of Finding: Significant Deficiency

Criteria: Each year, State agencies are required to report accounting information in the form of closing packages to the Office of the State Controller (Office) with details necessary to prepare the ACFR. The Office provides instructions for each closing package based on Generally Accepted Accounting Principles (GAAP) to ensure accurate information is submitted by the Commission. The Commission is required to submit a Miscellaneous closing package to provide information related to the restricted cash balance in excess of $50,000 for footnote disclosures to the financial statements.

The Governmental Accounting Standards Board (GASB) Implementation Guide 2015-1, Z.33.24 and GASB Statement 33 require revenue from taxes to be recorded "net of estimated refunds," which includes rebates to taxpayers. Tax rebates should be reported as reduction of tax revenues or a payable in the period in which they become estimable.

Additionally, the Committee of Sponsoring Organizations of the Treadway Commission (COSO) published the *Internal Control Integrated Framework*, which provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. These activities include adequate review and authorization of financial reporting and using the general ledger or other reliable records as the basis for reports. Further, auditing standards provide guidance on required elements when estimates are used for financial information.

Condition: The Idaho Tax Rebate Fund was created and became effective in July 2021 with an initial transfer of $220 million. A second rebate was authorized, and $350 million was transferred in February 2022. The balance in the fund of $144.8 million at year-end was restricted for rebates to be paid out. However, the Commission did not report this balance as restricted on the miscellaneous closing package.

The Commission continues to process 2021 and 2022 tax rebates as taxpayers become eligible by filing the required income tax returns. The Commission paid a total of $17.6 million in July 2022 and August 2022, and additional rebates continue to be processed for taxpayers that have until December 31, 2022, to qualify. Accounting standards prescribe that the Commission should calculate an estimate of the total amount of tax rebates that will be paid out in the following fiscal year, and it should be reported as a net to receivables or as a payable. However, the Commission did not report a payable related to tax rebates that had not yet been paid or reduce receivables, similar to how tax refunds are accounted for in the financial statements.

Cause: The Commission did not take into consideration all possible reporting requirements related to the new Tax Rebate Fund, including the restricted nature of the fund balance and the future payables. Further, tax rebate activity is a new type of activity, and the Commission was unfamiliar with the guidance on how to report future payables.

Effect: When the Commission did not report the $144.8 million as a restricted fund balance on the miscellaneous closing package, it created an error on the State of Idaho financial statements and the restricted asset note disclosure. Further, liabilities are understated by an amount equal to estimated tax rebates to be paid out in future periods.

Recommendation: We recommend that the Commission update their closing package reporting process to consider all possible closing package requirements, research applicable standards, and ensure all information is accurately reported to the Office.

Management's View: *The Commission agrees with this finding.*

Corrective Action: *Research applicable standards and consider all reporting methods related to the changes in funding and new fund. If applicable, create a new restricted cash closing package.*

Auditor's Concluding Remarks: We thank the Commission for its cooperations and assistance throughout the audit. While this corrective action plan will address the immediate concerns related to the Idaho Tax Rebate Fund, we are unsure at this time if this plan will address reporting issues related to additional new funding in the future.

FINDING 2022-106

Documentation of internal controls is not present due to lack of control process for unscheduled sales tax distribution.

Type of Finding: Significant Deficiency

Criteria: The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include risk assessment, control activities, and monitoring.

Condition: At the close of each month, an electronic checklist is initialed as accounting tasks are performed. These tasks include reviewing distributions for completeness and accuracy before they are posted. During testing of internal controls over sales tax distributions, including Personal Property Tax Replacement, one distribution payment of a Personal Property Tax Replacement was returned and then reallocated to the incorrect fund. This error was not identified or corrected due to a lack of controls surrounding unscheduled sales tax distributions.

Cause: The monthly checklist that is used to document review and approval of monthly distributions does not capture unscheduled distributions that are made to correct errors in scheduled monthly, quarterly, and semi-annual distributions. The reviewer's initials on the checklist are how the agency chooses to document and verify that a control occurred and to determine if a distribution was reviewed before it was paid out. Further, during our audit, we identified a distribution made to the wrong sub-fund in the amount of $16,180.56. There were other instances of unscheduled distributions, and the Commission was able to provide alternate support documenting proper review and approval of distributions.

Effect: We were unable to verify that controls were operating throughout the entire period over unscheduled distributions. Without the review, there is an increased risk that errors in the distributions would not be identified and corrected. Our testing identified a $16,180.56 distribution returned to the wrong sub fund, so the returned payment was coded to the revenue share fund rather than the personal property tax fund.

Recommendation: We recommend that the Commission strengthen the controls and improve the documentation of control activities performed for sales tax distributions to ensure that reviews are completed, and proper segregation of duties is maintained when unscheduled distributions are made.

Management's View: *The Commission agrees with this finding.*

Corrective Action: *Strengthen controls and create documentation of control activities performed for sales tax distributions and other unscheduled distributions. Segregation of duties are in place to assist with this process.*

Auditor's Concluding Remarks: We thank the Commission for its cooperation and assistance throughout the audit.

IDAHO TRANSPORTATION DEPARTMENT (Department)

FINDING 2022-107

The Department's internal control procedures did not detect or prevent errors in reporting capital assets.

Type of Finding: Significant Deficiency

Criteria: The *Internal Control Integrated Framework*, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), identifies control activities that help ensure management directives are carried out and risks are mitigated. These activities include adequate review and authorization of financial reporting.

Each year, State agencies are required to report accounting information to the Office of the State Controller (Office) in the form of closing packages, which provide the details necessary to prepare the *Annual Comprehensive Financial Report* (ACFR). The Office provides instructions for the Department to prepare the information in the closing packages in accordance with Generally Accepted Accounting Principles (GAAP).

Condition: The Department reports capital assets in the statewide ACFR. These assets are reported in the statewide financial statements and in more detail in a note to the financial statements. They are reported in multiple categories, including infrastructure and capital assets in progress, and are further reported as depreciable and non-depreciable assets. Infrastructure is reported both as depreciable, such as bridges, and as non-depreciable, such as roadways. Capital assets in progress is reported as a non-depreciable capital asset.

The notes to the financial statements contain further details about the assets and reports the beginning balance, increases, decreases, and the ending balance by category. The Department reported several errors in its closing packages:

Capital Asset in Progress

- Adjustments to beginning balance understated by $88,642,790
- Decreases overstated by $88,642,790

The ending balance was not affected by these errors.

Infrastructure

- Adjustments to beginning balance understated by $136,425,833
- Increases overstated by $170,772,982
- Decreases overstated by $31,120,203

The net result of these misstatements caused the ending balance to be overstated by $3,226,946.

Cause: The construction of infrastructure assets takes a long time to complete, and the Department uses several dates to determine when they are completed and in service, and when all related costs are known. The construction completion date is the date that the Department accepts the asset as complete. The Department uses the first day of the month following the construction completion date as the in-service date. Infrastructure assets may be in service before the total cost of the project is known. The final voucher date is the date when the asset is closed, and all costs are known and paid.

While the asset is being constructed, costs are accrued in the capital asset in progress category. Once the final voucher date has been determined, the Department reclassifies the capital asset in progress as a capital asset in the correct category. The asset is entered as of the in-service date. There may be a long time between the in-service date and the final voucher date, and the two dates may be in different fiscal years. The correct reporting in these instances is to use adjustments to the capital asset's beginning balance, which causes the Department to regularly have these adjustments in its capital asset reports.

The infrastructure and capital assets in progress categories are reported as non-depreciable assets. The Department included the amounts that should have been reported as adjustments to beginning balances with current-year additions. Some of these capital assets replaced existing assets that were retired from service once the new asset was in use. The Department included these amounts that should have been reported as adjustments to beginning balances with current year decreases. The Department reported these increases and decreases for non-depreciable assets because there was no related depreciation, and the ending balance would be unaffected.

The Department has an internal control procedure in place to ensure that all closing packages are reviewed prior to submission. Our testing confirmed that this review occurred but did not detect the capital asset reporting errors.

Effect: These errors were corrected, and the Department submitted a revised closing package for inclusion in the final statewide ACFR. However, the note disclosure errors could significantly affect a financial statement user's understanding of the state's capital asset activity.

Recommendation: We recommend that the Department design and implement a procedure to ensure that personnel preparing and reviewing closing packages are knowledgeable of capital assets reporting requirements.

Management's View: *The Department agrees with the finding.*

Corrective Action: *The Department will correct the way we have previously reported Roadway Infrastructure capital asset activity reported on ACFR Note 6. Capital Assets over a significant number of years. Capital Assets (12A) and Capital in Progress (13) - Roadway Infrastructure: The new procedure will utilize the Roadway Infrastructure in-service date to determine whether or not the capital asset activity (increases and decreases) is classified as adjustments to beginning balances or current year. Most all Roadway Infrastructure projects are not completed within a single fiscal year, the in-service date will most likely be a prior fiscal year. Supporting documentation forms and procedures have been updated based on the corrective action plan. Confirmation that the corrective action has been implemented can be verified by the shift in capital asset activity from current year (increases and decreases) to adjustments to beginning balances (balances at July 1, XXXX as restated) for assets being capitalized.*

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit.

STATE OF IDAHO
SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STATE AGENCY		FEDERAL AGENCY	PAGE
IDAHO COMMISSION ON AGING			
2022-201	The Commission did not complete the required Federal Financial SF-425 Report for the Aging Cluster Grant program in a timely manner.	Health and Human Services	37
2022-202	The Commission did not complete required reports for the Federal Funding Accountability and Transparency Act (FFATA).	Health and Human Services	38
OFFICE OF THE STATE CONTROLLER			
2022-203	Errors in the elimination process for federal grants between State agencies resulted in misstatements to the Schedule of Expenditures of Federal Awards (SEFA) totaling $14,656,928 for direct awards and $14,278,362 provided to subrecipients.	Department of Treasury Department of Education	39
2022-204	COVID-19 funds in the amount of $196,247,971were not properly identified on the statewide Schedule of Expenditures of Federal Awards (SEFA), as required.	Health and Human Services Department of Agriculture Department of Education Department of Veterans Affairs	41
STATE DEPARTMENT OF EDUCATION			
2022-205	An expenditure was made by the Department for unallowable activities from the Elementary and Secondary School Emergency Relief (ESSER) program.	Department of Education	43
2022-206	The Department did not complete required subrecipient monitoring of the Elementary and Secondary School Emergency Relief (ESSER) Fund of the Education Stabilization Fund.	Department of Education	44
IDAHO DEPARTMENT OF FISH AND GAME			
2022-207	The amount reported as passed through to subrecipients on the Schedule of Expenditures of Federal Awards (SEFA) closing package was overstated by $331,500.	Department of the Interior	45
IDAHO DEPARTMENT OF HEALTH AND WELFARE			
2022-208	State Opioid Response program performance progress reports did not have documentation to support completion of a review for accuracy and compliance prior to submission.	Health and Human Services	47
2022-209	An annual physical inventory was not completed for all storage facilities used by subdistributing agencies for the Emergency Food Assistance Program as required by federal guidance.	Department of Agriculture	48

STATE AGENCY		FEDERAL AGENCY	PAGE
2022-210	The Department did not review subrecipient application information for Coronavirus State and Local Fiscal Recovery Funds at a sufficient level to identify missing information from required documentation.	Department of Treasury	49
2022-211	The Schedule of Expenditures of Federal Awards (SEFA) closing package originally submitted to the Office of the State Controller did not properly identify COVID-19 Emergency Acts expenditures for multiple programs.	Health and Human Services Department of Agriculture Department of Education	51
2022-212	The Department did not maintain consistent operation of controls and compliance with Electronic Benefit Transfer (EBT) Card Security procedures for the Supplemental Nutrition Assistance Program (SNAP).	Department of Agriculture	53

IDAHO COMMISSION ON AGING (Commission)

FINDING 2022-201

The Commission did not complete the required Federal Financial SF-425 Report for the Aging Cluster Grant program in a timely manner.

Type of Finding: Material Noncompliance, Material Weakness

Assistance Listing Title: Grants for Supportive Services and Senior Centers; Special Programs for the Aging; Title III, Part C, Nutrition Services; Nutrition Services Incentive Program
Assistance Listing Number: 93.044; 93.045; 93.053
Federal Award Number: 2001IDOASS; 2101IDOASS; 2201IDOASS; 2101IDOAHD; 2101IDOACM; 2201IDOAHD; 2101IDOANS; 2201IDOANS
Program Year: October 1, 2019 – September 30, 2021; October 1, 2020 – September 30, 2023; October 1, 2021 – September 30, 2023; October 1, 2020 – September 30, 2022; October 1, 2020 – September 30, 2022; October 1, 2021 – September 30, 2023; October 1, 2020 – September 30, 2022; October 1, 2021 – September 30, 2023
Federal Agency: Health and Human Services
Compliance Requirement: Reporting
Questioned Costs: None

Criteria: The Code of Federal Regulations (CFR) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR 200.303) states that non-federal entities must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) published the *Internal Control Integrated Framework*, which provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include control activities and information and communication.

The grant award from the U.S. Department of Health and Human Services (HHS) issued under Older Americans Act of 1965 requires recipients to submit the Federal Financial SF-425 Reports on a semi-annual basis. Federal Financial SF-425 Reports are due within 30 days for the periods ending March 31 and September 30 (due April 30 and October 30), and a final report is due within 90 days after September 30 (due December 30). If a final report is submitted by December 30, a semi-annual report is not required to be filed by October 30.

Condition: The Federal Financial SF-425 Reports for the Aging Cluster Grant program (Assistance Listing Numbers 93.044, 93.045, and 93.053) were not completed during State fiscal year 2022.

The Federal Financial SF-425 Report should have been submitted for the periods ending September 30, 2021, and March 31, 2022, during our audit period. Prior Commission staff requested a filing extension from HHS for the September 2021 report. The HHS federal liaison approved the extension and requested specific dates of when to expect the report; however, the Commission was unable to provide additional details about the September extension or documentation of additional extensions for the March 2022 report.

Cause: Commission staff did not complete the Federal Financial SF-425 Report during State fiscal year 2022 and did not receive or maintain appropriate documentation of extensions for past due reports. Commission staff stated that they believed the September 2021 e-mail approval covered all delinquent reports.

Effect: The Federal Financial SF-425 Report is used to report the financial status of grant funds and expenditures of those funds and is generally supported by the underlying accounting records. Inaccurate or incomplete reporting could result in inaccurate information provided to users of the reports, including the federal funding agency, and could cause a disruption in federal funding due to noncompliance. The inability to complete and submit financial reports for an entire year also increases the risk of properly reconciling the data reported to the underlying records and ensuring that payments are only for allowable activities.

Recommendation: We recommend that the Commission design and implement well-documented internal control procedures to ensure compliance with federal reporting requirements and accurate and timely completion and submission of the Federal Financial SF-425 Report.

Management's View: *The Commission agrees with this finding.*

Corrective Action: *Actions have been taken to complete SF-425 reports as they come due for each grant. A reporting workbook has been created to track awards and reporting dates. Reporting period end dates and due dates will be added to fiscal staff calendars. We will continue to keep our federal partners appraised of our progress through completion.*

Auditor's Concluding Remarks: We thank the Commission for its cooperation and assistance throughout the audit. We will review reporting procedures implemented as part of follow-up procedures completed in conjunction with the fiscal year 2023 Single Audit Report. We would like to emphasize that along with implementing a process for completing the past due and current reports, the Office should also include internal control activities that help ensure the processes are properly executed.

FINDING 2022-202
The Commission did not complete required reports for the Federal Funding Accountability and Transparency Act (FFATA).

Type of Finding: Material Noncompliance, Material Weakness

Assistance Listing Title: Grants for Supportive Services and Senior Centers; Special Programs for the Aging; Title III, Part C, Nutrition Services; Nutrition Services Incentive Program
Assistance Listing Number: 93.044; 93.045; 93.053
Federal Award Number: 2001IDOASS; 2101IDOASS; 2201IDOASS; 2101IDOAHD; 2101IDOACM; 2201IDOAHD; 2101IDOANS; 2201IDOANS
Program Year: October 1, 2019 – September 30, 2021; October 1, 2020 – September 30, 2023; October 1, 2021 – September 30, 2023; October 1, 2020 – September 30, 2022; October 1, 2020 – September 30, 2022; October 1, 2021 – September 30, 2023; October 1, 2020 – September 30, 2022; October 1, 2021 – September 30, 2023
Federal Agency: Health and Human Services
Compliance Requirement: Reporting
Questioned Costs: None

Criteria: The Code of Federal Regulations (CFR) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR 200.303) states that non-federal entities must establish and maintain effective internal control over the federal award that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) published the *Internal Control Integrated Framework*, which provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include control activities and information and communication.

Under the requirements of the FFATA (Pub. L. No. 109-282), as amended by Section 6202 of Pub. L. No. 110-252, codified in 2 CFR Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of $30,000 or more to the FFATA Subaward Reporting System.

Condition: The FFATA was developed to provide better transparency over management of federal grants and contracts. Reporting is required on allocations of federal funding of $30,000 or more through the FFATA website. The Commission is the primary recipient of the Aging Cluster Grant program (Assistance Listing Numbers 93.044, 93.045, 93.053). The Commission issued six subawards in excess of $30,000 to the six Area Agencies on Aging that required reporting under the FFATA guidelines.

When discussing FFATA reporting requirements with the Commission, current staff were not aware of the requirement to complete the FFATA reports. No FFATA reports were submitted during our audit period, and as far as the Commission staff were aware, no FFATA reports had ever been submitted for the Commission.

Cause: Commission staff were not aware of the FFATA reporting requirements and did not implement internal controls to ensure the accurate and timely submission of the FFATA reports.

Effect: The FFATA reports are required to be submitted to the FFATA Subaward Reporting System, which makes the information available to the public in a searchable database. Late reporting, or non-reporting, impacts the integrity of that information. Additionally, without effective internal controls in place, there is an increased risk that an error or misreporting could occur and remain undetected and uncorrected.

Recommendation: We recommend that the Commission design and implement well-documented internal control procedures to ensure the compliance with federal reporting requirements and accurate and timely completion and submission of FFATA reports.

Management's View: *The Commission agrees with this finding.*

Corrective Action: *Federal Funding Accountability and Transparency Act (FFATA) reporting for federal fiscal years 2021, and 2022 have been completed as of March 27, 2023. The agency will complete FFATA reporting as awards are administered to sub-awardees going forward.*

Auditor's Concluding Remarks: We thank the Commission for its cooperation and assistance throughout the audit. These reports were completed after receiving the audit findings and we have not had an opportunity to review them. Additionally, the Office has not addressed the recommendation to improve internal controls over the reporting process for FFATA reporting and we continue to assert that improving the internal control activities around this process is critical to ensuring compliance with federal reporting requirements.

OFFICE OF THE STATE CONTROLLER (Office)

FINDING 2022-203

Errors in the elimination process for federal grants between State agencies resulted in misstatements to the Schedule of Expenditures of Federal Awards (SEFA) totaling $14,656,928 for direct awards and $14,278,362 provided to subrecipients.

Type of Finding: Significant Deficiency, SEFA Misstatement

Assistance Listing Title: State and Local Fiscal Recovery Fund; Gaining Early Awareness and Readiness for Undergraduate Programs
Assistance Listing Number: 21.027; 84.334S
Federal Award Number: 20-1982-0-1-806; PS334S110016

STATE OF IDAHO
FEDERAL FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Program Year: March 3, 2021 - December 31, 2024; September 26, 2011 - September 25, 2018
Federal Agency: Department of Treasury; Department of Education
Compliance Requirement: Code of Federal Regulations (CRF) 2 CFR 200.510(b)
Questioned Costs: None

Criteria: The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include risk assessment, control activities, and information and communication. Risk assessment is the identification and analysis of various risks entities face because of changing economic, industry, regulatory, and operating conditions. It provides a basis to develop appropriate responses to manage those risks. Control activities are policies and procedures that help ensure management directives are carried out and risks are mitigated. Verifications, approvals, reconciliations, authorizations, and segregation of duties are all control activities that support this objective. Information and communication relate to obtaining quality information and effective internal and external communication of that information to achieve management objectives.

Management objectives should include the preparation and fair presentation of the SEFA in relation to the basic financial statements as a whole and in compliance with requirements contained in the U.S. Code of Federal Regulations (CFR), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* (2 CFR §200.510(b)), which states it must include:

- Total federal awards expended as determined in accordance with 2 CFR §200.502
- Total amount provided to subrecipients from each federal program

Condition: The SEFA submitted for audit purposes included misstatements for Direct Awards and Amounts Provided to Subrecipients for Assistance Listing (AL) Number 21.027 (Coronavirus State and Local Fiscal Recovery Fund (CSLFRF)) and 84.334S (Gaining Early Awareness and Readiness for Undergraduate Programs (GEARUP)). We noted the following errors:

- Amounts for AL Number 21.027 were overstated by $12,534,055 for Direct Award Expenditures and by $12,171,845 for Amounts Provided to Subrecipients
- Amounts for AL Number 84.334S were understated by $2,122,873 for Direct Expenditures and by $2,106,517 for Amounts Provided to Subrecipients

Cause: Each year, State agencies report the total of federal awards expended on a closing package. The Office uses these closing packages to compile the SEFA. Federal funds received by one State agency and then passed on to another State agency get reported on both State agencies' SEFA closing package. The Office completes eliminations to avoid double counting expenditures for the same federal program. The Office's review procedures over this process did not detect or prevent the duplicate expenditures for AL Number 21.027 and did not prevent the erroneous elimination of actual expenditures for AL Number 84.334S.

Effect: The SEFA submitted for audit contained misstatements; however, these errors have been corrected.

Recommendation: We recommend that the Office design and implement procedures to ensure amounts are properly reported and proper adjustments are made when federal funds are shared between State agencies.

Management's View: *The Office agrees with this finding.*

Corrective Action: *We will improve our elimination and reporting process by adding the following steps:*

- *We will add an additional tab to our SEFA Master file to cross check all COVID-19 related funding to ensure agencies are not double reporting expenditures.*

- *We will add additional steps to our SEFA preparation and review checklist outlining specific steps for completing the subrecipient elimination process, and identify higher risk areas that require the most scrutiny.*
- *We will also improve our current elimination tab (awards received from other state agencies) and reconciliation procedures for subrecipients.*

Auditor's Concluding Remarks: We thank the Office for its cooperation and assistance throughout the audit.

FINDING 2022-204

COVID-19 funds in the amount of $196,247,971were not properly identified on the statewide Schedule of Expenditures of Federal Awards (SEFA), as required.

Type of Finding: Noncompliance, Material Weakness, SEFA Misstatement

Assistance Listing Title: Supplemental Nutrition Assistance Program (SNAP); WIC Special Supplemental Nutrition Program for Women, Infants, and Children; State Administrative Matching Grants for the Supplemental Nutrition Assistance Program; Grants to States for Construction of State Home Facilities; Special Education - Grants for Infants and Families; Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises; Community-Based Child Abuse Prevention Grants; Block Grants for Community Mental Health Services; Sexually Transmitted Diseases (STD) Prevention and Control Grants; Disaster Grants – Public Assistance (Presidentially Declared Disasters)
Assistance Listing Number: 10.551; 10.557; 10.561; 64.005; 84.181; 93.391; 93.497; 93.590; 93.958; 93.977; 97.036
Federal Award Number: 22ID35051692301; 217IDID7W7003; 227IDID7F1003; FAI 16-012; FAI 16-013; H181X21016; NH75OT000105; 2202IDFSC6; 2101IDBCC6; B09SM083970; NH25PS005171; 4534DRIP00000001
Program Year: October 1, 2021 – September 30, 2022; October 1, 2020 – September 30, 2021; October 1, 2021 – September 30, 2021; May 8, 2021 – June 30, 2022; June 28, 2021 – June 30, 2022; July 1, 2021 – September 30, 2022; June 1, 2021 – May 31, 2023; October 1, 2020 – September 30, 2025; October 1, 2020 – September 30, 2025; March 15, 2021 – March 14, 2023; January 1, 2019 – December 31, 2023; May 8, 2020 – June 30, 2022
Federal Agency: Department of Agriculture; Department of Veterans Affairs; Department of Education; Health and Human Services; Department of Homeland Security
Compliance Requirement: Code of Federal Regulations (CRF) 2 CFR 200.510(b)
Questioned Costs: None

Criteria: The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include risk assessment, control activities, and information and communication. Risk assessment is the identification and analysis of various risks entities face because of changing economic, industry, regulatory, and operating conditions, and provides a basis to develop appropriate responses to manage those risks. Control activities are policies and procedures that help ensure management directives are carried out and risks are mitigated. Verifications, approvals, reconciliations, authorizations, and segregation of duties are all control activities that support this objective. Information and communication relate to obtaining quality information and effective internal and external communication of that information to achieve management objectives.

Management objectives should include the preparation and fair presentation of the SEFA in relation to the basic financial statements as a whole and in compliance with requirements contained in the U.S. Code of Federal Regulations (CFR), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* (2 CFR §200.510(b)), which states it must include:

- Total federal awards expended as determined in accordance with 2 CFR §200.502
- Total amount provided to subrecipients from each federal program

Additionally, the Office of Management and Budget (OMB) Memorandum M-20-26 instructed recipients and subrecipients to separately identify the COVID-19 Emergency Acts expenditures on the SEFA.

Condition: Several assistance listings (AL) were not properly identified as COVID-19 funds on the SEFA submitted for audit. The following items were identified by the auditors and communicated to management during the audit process:

- Supplemental Nutrition Assistance Program (AL Number 10.551) $38,370,588
- Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises (AL Number 93.391) $3,387,573
- Special Education - Grants for Infants and Families (AL Number 84.181) $265,777
- Family Violence Prevention and Services/Sexual Assault/Rape Crisis Services and Supports (AL Number 93.497) $183,807
- WIC Special Supplemental Nutrition Program for Women, Infants, and Children (AL Number 10.557) $1,547,158
- State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (AL Number 10.561) $354,983
- Community-Based Child Abuse Prevention Grants (AL Number 93.590) $156,539
- Block Grants for Community Mental Health Services (AL Number 93.958) $389,232
- Sexually Transmitted Diseases (STD) Prevention and Control Grants (AL Number 93.977) $156,712
- State Veterans Home Construction (AL Number 64.005) $1,513,996
- Education Stabilization Fund - Emergency Assistance for Non-Public Schools (AL Number 84.425R) $3,145,463
- Disaster Grants – Public Assistance (Presidentially Declared Disasters) (AL Number 97.036) $146,776,143

Cause: The Office has not developed procedures to ensure amounts reported by State agencies on closing packages properly identifies all funds related to COVID-19. The Office relies on State agencies to self-report federal expenditures, programs, and identify if these programs are related to COVID-19 funding through the closing package process. Current procedures do not include verifying that the COVID-19 designation is appropriately included.

Additionally, review procedures did not identify an error that occurred while compiling the SEFA that did not include the COVID-19 designation for AL Number 84.425R. Internal reviews did not identify this error as this information was correctly included on the agency closing package.

Effect: The SEFA submitted for audit did not properly identify $196,247,971 as COVID-19 funds on the SEFA; however, these errors have been corrected.

Recommendation: We recommend that the Office implement procedures and controls to ensure funds related to the COVID-19 pandemic are properly identified on the SEFA.

Management's View: *The Office agrees with this finding.*

Corrective Action: *Since the State began receiving COVID-19 funding, we diligently provided training and resources to the agencies regarding the funding and how it should be reported on the SEFA closing package. This includes a discussion in our annual closing package training, online resources regarding COVID-19 funds, an FAQ document, and being available to discuss questions and concerns. In addition to the steps we are currently taking, we will reiterate the importance of designating COVID-19 related expenditures on the SEFA closing package during our annual closing package training. We will review STARS activity in the COVID-19 related funds and compare to the agency submitted closing packages for reasonableness. Recognizing that not all agencies utilize these specific funds, we will also review COVID-19 related expenditures on an external online source that reports federal grant expenditures. We will then use this information to compare to what is reported on agency closing packages for reasonableness.*

Auditor's Concluding Remarks: We thank the Office for its cooperation and assistance throughout the audit.
STATE DEPARTMENT OF EDUCATION (Department)

FINDING 2022-205
An expenditure was made by the Department for unallowable activities from the Elementary and Secondary School Emergency Relief (ESSER) program.

Type of Finding: Noncompliance, Significant Deficiency

Assistance Listing Title: Education Stabilization Fund - ARPA ESSER III
Assistance Listing Number: 84.425U
Federal Award Number: S425U210043
Program Year: March 24, 2021 – September 30, 2024
Federal Agency: Department of Education
Compliance Requirement: Activities allowed or unallowed
Questioned Costs: Known: $2,270.65; Likely: $71,576

Criteria: The Department awards and passes ESSER funds to school districts or local educational agencies (LEAs) in the State. The LEAs may use ESSER funds for a wide range of activities to address needs arising from the coronavirus pandemic. The ESSER funding is made available by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and the American Rescue Plan (ARP) Act. The CARES Act (Section 18003 (d)) provides a broad list of LEA allowable activities. The CRRSA Act (Section 313(3)) includes additional LEA allowable uses of funds, in particular addressing learning loss; preparing schools for reopening; and testing, repairing, and upgrading projects to improve air quality in school buildings. The ARP Act (Section 2001(e)) further expands LEA allowable uses of funds to include providing mental health support, developing strategies, and implementing public health protocols on reopening and operating schools to effectively maintain the health and safety of students, educators, and staff.

Condition: During our review of ESSER grant expenditures for allowable activities and costs, we selected a sample of 60 transactions to evaluate for compliance, substantive accuracy, and adequately designed and applied internal controls. We noted one transaction for $12,374.83 that included $2,270.65 for staff lunches, which are unallowable as a cost paid for by this grant.

Cause: A subrecipient of the Department requested reimbursement from the ESSER grant in June 2022 for employee salaries and benefits, supplies, materials, and staff meals. Staff meals are unallowable to the ESSER grant. This unallowable activity was not identified during the Department's review of the transaction. Department personnel reviewing and approving the reimbursement request believed that, based upon the wording in the request, the transaction was for different purposes and allowable under the ESSER grant. However, further review and inquiring to the LEA after the audit exception was identified supported that the expenditure was not allowed.

Effect: The Department reimbursed unallowed costs of $2,271 which results in projected questioned costs of $71,576 for the ESSER program.

Recommendation: We recommend that the Department strengthen control procedures to ensure all expenditures are allowable prior to approving reimbursement to LEAs.

Management's View: *The Department agrees with this finding.*

Corrective Action: *When the Elementary and Secondary School Emergency Relief Funds {ESSER) were first awarded, it was not required that districts attach any documentation to their Grant Reimbursement Application {GRA)*

requests. Federal Programs will start requiring that all requests coming in through the GRA system have supporting documentation attached as of July 1, 2023, which is the beginning of our next fiscal cycle.
Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit. We agree with the Department that it is important to provide the additional guidance received from the federal grantors to the subrecipients, we want to emphasize that it is the Department's responsibility to ensure that only allowable costs are reimbursed to the LEAs, and to implement appropriate internal control activities, including adequate supporting documentation, to ensure compliance with this requirement.

FINDING 2022-206
The Department did not complete required subrecipient monitoring of the Elementary and Secondary School Emergency Relief (ESSER) Fund of the Education Stabilization Fund.

Related to Prior Finding: 2021-204

Type of Finding: Material Noncompliance, Material Weakness

Assistance Listing Title: Elementary and Secondary School Emergency Relief Fund; Emergency Assistance for Non-Public Schools; ARPA ESSER III; ARPA ESSER - Homeless Children and Youth
Assistance Listing Number: 84.425D; 84.425R; 84.425U; 84.425W
Federal Award Number: S425D210043; S425D200043; S425R210024; S425U210043; S425W210013
Program Year: January 5, 2021 – September 30, 2023; May 18, 2020 – September 30, 2022; February 11, 2021 – September 30, 2023; March 24, 2021 – September 30, 2024; April 23, 2021 – September 30, 2024
Federal Agency: Department of Education
Compliance Requirement: Subrecipient Monitoring
Questioned Costs: None

Criteria: The U.S. Code of Federal Regulations (CFR) 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, superseding the Office of Management and Budget (OMB) *Circular A-102, Grants and Cooperative Agreements with State and Local Governments*, describes the pass-through entity's responsibility for administering necessary requirements on subrecipients so that the federal award is used in accordance with federal regulations.

Specifically, 2 CFR 200.332(d) and 2 CFR 25.200 identify the requirements for the Department as the pass- through entity in providing subawards. This includes communication of certain information, such as the subrecipient's unique entity identifier and required registration in the System for Award Management (SAM). In addition, the Department must evaluate each subrecipient's risk of noncompliance with federal statutes and the terms and conditions of the subaward when determining the extent of subrecipient monitoring to be completed to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward, and that the subaward performance goals are achieved. In addition to procedures identified as necessary based upon the evaluation of subrecipient risk or specifically required by the terms and conditions of the award, monitoring must include a review of financial and performance reports required by the pass-through entity, follow up on any deficiencies identified in the subrecipient that are detected through audits, on-site reviews and other means, and issuing a management decision for audit findings, as required by 2 CFR 200.521.

Finally, 2 CFR 200.303 requires the Department to establish and maintain effective internal control over the federal award that provides reasonable assurance that the Department is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award.

Condition: The Department initially received ESSER funding in fiscal year 2021 and integrated ESSER monitoring with the general subrecipient monitoring used for other federal programs. The Department's 2020- 2021 Monitoring Tool included only one indicator related to the ESSER program and did not adequately address all subrecipient monitoring requirements. However, in fiscal year 2021, the Department determined that the existing monitoring procedures were not robust enough for the additional requirements associated with ESSER subrecipient monitoring and discontinued those procedures without implementing any alternative procedures during fiscal year 2022.

This was a finding included in the *Single Audit Report* for the year ended June 30, 2021, and the Department provided a corrective action plan to monitor subrecipients. However, the Department did not implement the plan until after the audit period, in fiscal year 2023.

Cause: The Department realized the current procedures were not sufficient to meet the monitoring requirements of ESSER and indicated a monitoring process specific to the ESSER program compliance requirements was being developed; however, it was not developed in a timely manner to comply with federal requirements.

Effect: The Department is not in compliance with subrecipient monitoring requirements. Without adequate monitoring of subrecipients, the Department is exposed to an increased risk of making improper payments for unallowable or unsupported costs.

Recommendation: We recommend that the Department implement procedures to ensure compliance with all requirements as a pass-through entity. We also recommend that the Department design and implement effective control procedures to ensure subrecipient monitoring activities are complete and appropriate.

Management's View: *The Department agrees with this finding.*

Corrective Action: *It was not until the end of the 2022 legislative session that spending authority was given to the State Department of Education to use ARP ESSER Sincerely, administrative funds to hire additional staff to meet the robust requirements identified by the U.S. Department of Education. Up to that point, only one full-time person was handling all of the needs associated with ESSER funds. Since then, two positions have been hired. The ESSER Data and Reporting Coordinator began in April 2022, and the ESSER Monitoring Coordinator began in June 2022. While developing the monitoring procedures began in July 2022, it was after the audit timeframe. The Department now has in place all ESSER monitoring policies and procedures and will complete year one monitoring before May 5, 2023.*

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit.

IDAHO DEPARTMENT OF FISH AND GAME (Department)

FINDING 2022-207

The amount reported as passed through to subrecipients on the Schedule of Expenditures of Federal Awards (SEFA) closing package was overstated by $331,500.

Type of Finding: Significant Deficiency

Assistance Listing Title: Sport Fish Restoration; Wildlife Restoration and Basic Hunter Education
Assistance Listing Number: 15.605; 15.611
Federal Award Number: F19AF00026; F19AF00093; F22AF00371; F14AF01014; F20AF11918; F22AF00372; F20AF11578; F21AF03374; F21AF03986; F21AF03986
Program Year: January 1, 2019 – December 31, 2021; January 1, 2019 – December 31, 2021; January 1, 2022 – December 31, 2024; August 1, 2014 – June 30, 2022; July 1, 2020 – June 30, 2021; January 1, 2022 – December 31, 2024; July 1, 2020 – June 30, 2021; July 1, 2021 – June 30, 2023; July 1, 2021 – June 30, 2022; July 1, 2021 – June 30, 2022
Federal Agency: Department of the Interior

Compliance Requirement: Code of Federal Regulations (CRF) 2 CFR 200.510(b)
Questioned Costs: None
Criteria: The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include risk assessment, control activities, and information and communication. Risk assessment is the identification and analysis of various risks entities face because of changing economic, industry, regulatory, and operating conditions. It provides a basis to develop appropriate responses to manage those risks. Control activities are policies and procedures that help ensure management directives are carried out and risks are mitigated. Verifications, approvals, reconciliations, authorizations, and segregation of duties are all control activities that support this objective. Information and communication relate to obtaining quality information and effective internal and external communication of that information to achieve management objectives.

Management objectives should include the preparation and fair presentation of the SEFA in relation to the basic financial statements as a whole and in compliance with requirements contained in the U.S. Code of Federal Regulations (CFR), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* 2 CFR §200.510(b), which states it must include:

- Total federal awards expended as determined in accordance with 2 CFR §200.502, and
- Total amount provided to subrecipients from each federal program

Condition: The Department completed a SEFA closing package to report federal grant expenditures. The amount reported as passed through to subrecipients was overstated by a total of $331,500. The Sport Fish Restoration Program (Assistance Listing Number 15.605) payments to subrecipients were overstated by $10,513, and the Wildlife Restoration Program (Assistance Listing Number 16.611) payments to subrecipients were overstated by $320,987.

Cause: The Department made payments to entities who received subawards under the grants and also provided specific vendor services for the grants. The person compiling the SEFA closing package was new to that process and included all payments to the entities as payments to subrecipients, even though some of the payments were for vendor services and should not have been included. The SEFA closing package was reviewed for accuracy prior to being submitted to the Office of the State Controller, but this review did not detect the error.

Effect: The Department's SEFA closing package overstated the amount passed through to subrecipients by $331,500. The total expenditures for the grant programs were $7,196,361 in the Sport Fish Restoration Program and $15,479,486 in the Wildlife Restoration Program. Subrecipient payments make up a small portion of the overall grant expenditures comprising $31,539 in the Sport Fish Restoration Program (0.44 percent of the total) and $520,630 in the Wildlife Restoration Program (3.36 percent of the total). The effect is limited because the trivial materiality for the statewide SEFA is $1.9 million. The Department submitted a corrected SEFA closing package to correct the error.

Recommendation: We recommend that the Department design and implement procedures to ensure amounts passed through to subrecipients are accurately reported on the SEFA closing package.

Management's View: *The Department agrees with this finding.*

Corrective Action: *The Department will provide additional training and update its procedural documentation to ensure that expenses are thoroughly vetted before they are reported as subrecipient expenditures on the SEFA. Each expenditure identified as a subrecipient expense will be tied back to a specific subaward, further limiting the possibility of non-subaward expenses being reported in the subrecipient portion of the SEFA.*

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit.

IDAHO DEPARTMENT OF HEALTH AND WELFARE (Department)

FINDING 2022-208

State Opioid Response program performance progress reports did not have documentation to support completion of a review for accuracy and compliance prior to submission.

Type of Finding: Material Weakness

Assistance Listing Title: Opioid STR
Assistance Listing Number: 93.788
Federal Award Number: H79TI083282; H79TI081727
Program Year: September 30, 2020 – September 29, 2023; September 30, 2018 – September 29, 2021
Federal Agency: Health and Human Services
Compliance Requirement: Reporting
Questioned Costs: None

Criteria: The U.S. Code of Federal Regulations (CFR), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) included in 2 CFR 200.303 requires that a nonfederal entity receiving federal awards establish and maintain internal controls that provide reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions in the federal award.

The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) identifies control activities that help ensure management directives are carried out and risks are mitigated. These activities include things like approvals, authorizations, verifications, reconciliations, and segregation of duties.

Condition: During fiscal year 2022, the State Opioid Response program was required to submit 5 program performance reports to the grantor. A Department program specialist or project manager compiles the State Opioid Response program performance progress reports and a contract manager review and approves the reports. The approval of the performance progress reports for all five (5) reports tested under the State Opioid Response program was not documented. Department staff indicated that the approval process was verbal or through e-mails that were not retained, and we were unable to verify this process.

Cause: The Department did not consider that documentation to support the review and approval of these performance progress reports was necessary to ensuring accuracy and compliance with reporting requirements.

Effect: We did not identify errors in the performance progress reports we reviewed. However, without documentation of appropriate internal controls, there is an increased risk of errors occurring and going undetected, or errors being present in reports we did not review. Further, the Department could submit the performance progress reports with incomplete or inaccurate information required by the grant agreement.

Recommendation: We recommend that the Department design and implement procedures to ensure sufficient documentation is maintained that supports the review and approval of the performance progress reports.

Management's View: *The Department agrees with this finding.*

The contract manager attests that she did, in fact, review, edit, re-review and ultimately approve the 5 program performance reports to the grantor. The reports were either emailed to the Program Manager or uploaded in Teams for her review/approval. The auditor was provided documentation of these reviewed documents, including editing notes by that manager. Additionally, one-on-one supervision notes between the person submitting the reports and the contract *manager validate that these reports were, in fact, reviewed and approved prior to submission to the grantor. The federal funder does not require this type of documentation of review/approval and the program was not aware of this CFR requirement. The program does, however, agree, that review and approval of these reports was not documented and that a corrective action plan is warranted.*

Corrective Action: *Beginning April 1, 2023, all required federal reports will include the following statement, which will be signed and dated electronically by the approving reviewer before the report is submitted:*

☐ I, ______________, have reviewed and approved this report prior to submission.
Name, title

A copy of the approved and signed report will be retained in DBH's electronic grant funding records.

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit. We appreciate the Department's view that the contract manager did complete reviews to ensure accuracy, but without documentation available to the auditors at the time we are completing auditing procedures it is difficult to verify if errors were detected, if they were properly corrected, and if the final version was then reviewed again to ensure accuracy. A clear documentation trail is critical to support accurate reporting and can also provide insight into improving the process so that errors do not continue to occur.

FINDING 2022-209
An annual physical inventory was not completed for all storage facilities used by subdistributing agencies for the Emergency Food Assistance Program as required by federal guidance.

Type of Finding: Material Noncompliance, Material Weakness

Assistance Listing Title: Emergency Food Assistance Program
Assistance Listing Number: 10.568
Federal Award Number: 227IDID8P1103; 227IDID8Y8105; 227IDID2Q2204; 227IDID5Y8613
Program Year: October 1, 2021 – September 30, 2022; October 1, 2019 – September 30, 2022; October 1, 2021 – September 30, 2022; November 3, 2021 – November 2, 2022
Federal Agency: Department of Agriculture
Compliance Requirement: Special Tests and Provisions
Questioned Costs: None

Criteria: The *Uniform Guidance* included in 2 CFR 200.303 requires that a nonfederal entity receiving federal awards establish and maintain internal controls that provide reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions in the federal award.

The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) identifies control activities that help ensure management directives are carried out and risks are mitigated. These activities include things like approvals, authorizations, verifications, reconciliations, and segregation of duties.

The *Uniform Guidance* included in 7 CFR 250.12(b) requires that State distributing agencies must conduct annual physical inventory of all storage facilities used by the distributing agency or the subdistributing agency. Such inventory must be reconciled annually with the storage facility's inventory records and maintained on file by the agency which contracted with or maintained the storage facility.

Condition: The Department staff only performed an annual physical inventory of 25 percent of the subdistributing agencies contracted with for the Emergency Food Assistance Program. Federal guidance requires that all State distributing agencies shall have an annual physical inventory and the Department currently partners with 5 subdistributing agencies. The inventory procedures have only been performed on 1 or 2 subdistributing agencies per fiscal year.

Cause: The Department incorrectly interpreted the coverage requirements provided for State monitoring systems as also applicable for the physical inventory requirements related to subdistributing agencies. Those requirements are included in 7 CFR 251.10(e) and states that each State agency must monitor the operation of the program to ensure that it is being administered in accordance with Federal and State requirements. State agencies may not delegate this responsibility, and these reviews must cover at least 25 percent of all eligible recipient agencies. These reviews are separate from the guidance contained in 7 CFR 250.12(b) requiring annual physical inventory of all storage facilities.

Effect: The Department did not properly design and implement internal controls to ensure compliance with the inventory requirements included in 7 CFR 250.12(b). The storage facilities not included in the annual physical inventory received commodity donations valued at $5,268,861 during the period of our audit.

Recommendation: We recommend that the Department design and implement controls and procedures to ensure compliance with federal requirements covering the Emergency Food Assistance Program.

Management's View: *The Department agrees with this finding.*

The Department questioned and relied upon an opinion from the National Office of USDA Food and Nutrition Service (FNS), which administers TEFAP, affirming the Department's interpretation of the regulations for this program. Dixon, R. (2023) Email to Cho Heide, March 23. In that opinion the Department asserted and FNS agreed that the requirements for an annual physical review of food inventories only applies to storage facilities used by the state distributing agency or sub-distributing agencies (as defined in 7 CFR 250.2). The Department has always considered the organizations with which we have subgrant agreements for TEFAP to be eligible recipient agencies (as defined in 7 CFR 251.3), not sub-distributing agencies. The Department provided this information to LSO auditors but on review with them as relates to the compliance supplement for this program, it became clear that the guidance from FNS was not authoritative and therefore, did not supersede the compliance supplement.

Corrective Action: *With this knowledge, the Department will work with FNS to clarify requirements within the compliance supplement, revising our control process in this program accordingly.*

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit. We appreciate the Department's effort to reach out to the grantor and gain further guidance on the definition of the entities that were considered subdistributing agencies during the audit. Recognizing that an entity can be a subdistributing agency and a recipient agency, we continue to assert that inventory monitoring and compliance with the requirements in 7 CFR 250.12(b) to ensure accountability for goods at storage facilities is required by the program and was not completed at all facilities. We will re-evaluate that determination of compliance if the grantor provides definitive guidance that this is not their intent with the requirements.

FINDING 2022-210

The Department did not review subrecipient application information for Coronavirus State and Local Fiscal Recovery Funds at a sufficient level to identify missing information from required documentation.

Type of Finding: Noncompliance, Significant Deficiency

Assistance Listing Title: Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing Number: 21.027
Federal Award Number: 20-1982-0-1-806
Program Year: March 3, 2021 – December 31, 2024

Federal Agency: Department of Treasury
Compliance Requirement: Subrecipient Monitoring
Questioned Costs: None

Criteria: The *Uniform Guidance* included in 2 CFR 200.303 requires that a nonfederal entity receiving federal awards establish and maintain internal controls that provide reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions in the federal award.

The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) identifies control activities that help ensure management directives are carried out throughout the operation. Verifications, approvals, and authorizations are all control activities that support this objective.

The *Uniform Guidance* included in 2 CFR 200.332 describes the pass-through entities' responsibility for administering necessary requirements on subrecipients so that the federal award is used in accordance with federal regulations.

In addition, 2 CFR 25.300 states that (a) a recipient may not make a subaward to a subrecipient unless that subrecipient has obtained and provided to the recipient a unique entity identifier. Subrecipients are not required to complete full SAM registration to obtain a unique entity identifier and (b) a recipient must notify any potential subrecipients that the recipient cannot make a subaward unless the subrecipient has obtained a unique entity identifier, as described in paragraph (a) of this section.

Condition: The Department used Coronavirus State and Local Fiscal Recovery funds to provide financial support to hospitals during the COVID-19 pandemic. The Department was responsible for distributing these funds and created a process for hospitals to apply and receive funding. During testing, we identified 2 applications out of 8 reviewed, or 25 percent, that did not have unique entity identifier numbers attached to the documentation provided for testing, as required by 2 CFR 25.300.

Cause: The Department had review procedures in place, but the reviews of subrecipient application documentation failed to detect the absence of unique entity identifier numbers. This number is required as part of the subgranting process.

Effect: The Department is exposed to increased risk of improper payments and noncompliance with federal requirements when applications do not meet all requirements for receiving funding.

Recommendation: We recommend that the Department design and implement effective internal control procedures to ensure adequate subrecipient applications are completed accurately and in compliance with federal requirements.

Management's View: *The Department agrees with this finding.*

In the rush to respond to emergency needs during the pandemic and the non-traditional format these funds were distributed, the Department neglected to properly review and hold incomplete attestation applications. The attestation application process was specifically developed under the pandemic, was a new process for staff, and was during the time period of transitioning from DUNS to Unique Identifier. Additionally, staff not typically involved in the subrecipient process approved the applications for payment and did not know to hold payments if the unique identifier field was blank. Finally, attestation documents did not route through the traditional internal processes where controls would have identified the gap. After funds were distributed and the misstep was realized, the Department verified Unique Identifiers through SAMS registration or by reaching out directly to the hospitals for documented proof. At the time of the audit, we did not have documentation of a unique identifier for two (2) hospitals out of the forty-three (43) awarded, but that information has subsequently been obtained.

The attestation process has since been discontinued. Internal controls are in place as the Department procurement policy; staff are trained to check SAM.gov on all subrecipients. Additionally, internal forms needed to execute a subrecipient agreement require documentation of the Unique Identifier. If the Unique Identifier field is left blank, the Department Contracts and Procurement Unit will not process the agreement request. This finding was a result of a new process and untrained staff pulled into the rapid dispersal of COVID funds.

Corrective Action: *Corrective action is complete. Internal controls are in place as the Department procurement policy; staff are trained to check SAM.gov on all subrecipients. Additionally, internal forms needed to execute a subrecipient agreement require documentation of the Unique Identifier. If the Unique Identifier field is left blank, the Department Contracts and Procurement Unit will not process the agreement request. This finding was a result of a new process and untrained staff pulled into the rapid dispersal of COVID funds.*

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit.

FINDING 2022-211
The Schedule of Expenditures of Federal Awards (SEFA) closing package originally submitted to the Office of the State Controller did not properly identify COVID-19 Emergency Acts expenditures for multiple programs.

Related to Prior Finding: 2021-206

Type of Finding: Noncompliance, Significant Deficiency, SEFA Misstatement

Assistance Listing Title: Supplemental Nutrition Assistance Program (SNAP); WIC Special Supplemental Nutrition Program for Women, Infants, and Children; State Administrative Matching Grants for the Supplemental Nutrition Assistance Program; Special Education - Grants for Infants and Families; Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises; Community-Based Child Abuse Prevention Grants; Block Grants for Community Mental Health Services; Sexually Transmitted Diseases (STD) Prevention and Control Grants
Assistance Listing Number: 10.551; 10.557; 10.561; 84.181; 93.391; 93.497; 93.590; 93.958; 93.977
Federal Award Number: 22ID35051692301; 217IDID7W7003; 227IDID7F1003; H181X21016; NH75OT000105; 2202IDFSC6; 2101IDBCC6; B09SM083970; NH25PS005171
Program Year: October 1, 2021 – September 30, 2022; October 1, 2020 – September 30, 2021; October 1, 2021 – September 30, 2021; July 1, 2021 – September 30, 2022; June 1, 2021 – May 31, 2023; October 1, 2020 – September 30, 2025; October 1, 2020 – September 30, 2025; March 15, 2021 – March 14, 2023; January 1, 2019 – December 31, 2023
Federal Agency: Department of Agriculture; Department of Education; Health and Human Services
Compliance Requirement: Code of Federal Regulations (CFR) 2 CFR 200.510(b)
Questioned Costs: None

Criteria: The U.S. Code of Federal Regulations (CFR) 2 CFR 200.510(b) requires the State to prepare a Schedule of Expenditures of Federal Awards (SEFA) for the fiscal year that must include the total federal awards expended. State agencies are required to report federal expenditures incurred for each federal program during the State fiscal year to the Office of the State Controller (Office) through the SEFA closing package. The Office provides instructions on the completion of the closing package.

The *Uniform Guidance* included in 2 CFR 200.303 requires that a nonfederal entity receiving federal awards establish and maintain internal controls that provide reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions in the federal award.

The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) identifies control activities that help ensure management directives are carried out and risks are mitigated. These activities include things like approvals, authorizations, verifications, reconciliations, and segregation of duties.

The Office of Management and Budget (OMB) Memorandum 20-26, Appendix A, states that in order to provide adequate oversight of the COVID-19 Emergency Acts funding and programs, recipients and subrecipients must separately identify the COVID-19 Emergency Acts expenditures on the SEFA and audit report findings.

Condition: The Department did not separately identify COVID-19 Emergency Acts related expenditures, as required by OMB Memorandum 20-26, on their SEFA submission for multiple programs. The specific programs include the following:

- Supplemental Nutrition Assistance Program (Assistance Listing Number (AL) 10.551) for the amount of $38,370,588
- Special Supplemental Nutrition Program for Women, Infants, and Children (AL 10.557) for the amount of $1,547,158
- State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (AL 10.561) for the amount of $354,983
- Special Education-Grants for Infants and Families (AL 84.181) for the amount of $265,777
- Activities to Support State, Tribal, Local and Territorial Health Department Response to Public Health or Healthcare Crises (AL 93.391) for the amount of $3,387,573
- Family Violence Prevention and Services/Sexual Assault/Rape Crisis Services and Supports (AL 93.497) for the amount of $183,807
- Community-Based Child Abuse Prevention Grants (AL 93.590) for the amount of $156,539
- Block Grants For Community Mental Health Services (AL 93.958) for the amount of $389,232
- Preventive Health Services-Sexually Transmitted Diseases Control Grants (AL 93.977) for the amount of $156,712

The total amount of expenditures for each of the above listed programs were accurately reported; however, specific identification of COVID-19 Emergency Acts expenditures was not accurately identified.

Cause: The Department has a review process in place for closing packages that is intended to detect and correct errors. However, the review of the fiscal year 2022 SEFA closing package was not completed at a level of detail sufficient to properly identify COVID-19 Emergency Acts expenditures.

Effect: The Department did not separately identify the COVID-19 Emergency Acts expenditures on their SEFA in order to maximize transparency and accountability. In total, $44,812,369 across 9 programs was not properly identified as COVID-19 Emergency Acts related expenditures, as required.

After we identified this issue, the amounts were separated, and the COVID-19 identification was added to the programs in a subsequent submission of SEFA information.

Recommendation: We recommend that the Department improve the review process for the SEFA closing package to include training and specific procedures at a level of detail sufficient to identify inaccuracies or omission of required information such as the COVID-19 Emergency Acts expenditures.

Management's View: *The Department agrees with this finding.*

The Department agrees with this finding but it is important to highlight that our internal controls and review processes are designed to detect and correct material inaccuracies or omissions of required information within the annual SEFA. As this does not constitute a material error, but rather a significant deficiency, the Department's controls for this process worked as intended.

This was a new requirement and Department personnel failed to identify a significant risk related to it and enhance the review procedures accordingly. This requirement will be monitored while we spend down the remaining COVID-19 emergency funding we have already been awarded.

Corrective Action: *This corrective action plan is complete. Effective immediately, we will monitor awards for any new COVID-19 funding, but we don't believe that there will be any new COVID-19 awards. All existing awards have been confirmed as being reported as COVID-19 funding.*

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit. We would like to emphasize that internal controls should be designed to meet stated objectives. In this case, the objective is to provide requested information to the Office of the State Controller on closing packages that contain specific instructions, so that the Office can prepare the statewide Schedule of Expenditures of Federal Assistance (SEFA). The fact that the internal controls designed and implemented by the Department are only intended to identify material errors in the SEFA closing package significantly increases the risk that individually smaller errors will go undetected and uncorrected and potentially could result in an aggregated material misstatement. Additionally, minimalizing accuracy within reporting elements, such as the COVID-19 designation, increases the risk that these errors would go entirely undetected, even if they were material. We would also like to emphasize that including standard procedures to be alert for changing and new requirements is an important part of a strong internal control environment. While the COVID-19 funds may be in the process of being spent down, new very large programs are in process and could also have unique requirements that should be assessed.

FINDING 2022-212
The Department did not maintain consistent operation of controls and compliance with Electronic Benefit Transfer (EBT) Card Security procedures for the Supplemental Nutrition Assistance Program (SNAP).

Related to Prior Finding: 2021-210

Type of Finding: Material Noncompliance, Material Weakness

Assistance Listing Title: Supplemental Nutrition Assistance Program (SNAP); State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
Assistance Listing Number: 10.551; 10.561
Federal Award Number: 22ID35051692301; 227IDID4S2514; 227IDID5Q3903; 227IDID6F1003; 227IDID4S2519; 227IDID4S2520; 227IDID4Q7503
Program Year: October 1, 2021 – September 30, 2022; October 1, 2021 – September 30, 2022; October 1, 2021 – September 30, 2023; October 1, 2021 – September 30, 2022; October 1, 2021 – September 30, 2022; October 1, 2021 – September 30, 2022; October 1, 2021 – September 30, 2022
Federal Agency: Department of Agriculture
Compliance Requirement: Special Tests and Provisions
Questioned Costs: None

Criteria: The Department is required to maintain adequate security over, and documentation/records for, EBT cards to prevent their theft, embezzlement, loss, damage, destruction, unauthorized transfer, negotiation, or use (7 CFR section 274.8(b)(3)).

Further, 7 CFR 274.5(c) states that an EBT Card is considered an accountable document. The State agency is required, at minimum, to provide the following security and control procedures relating to these documents:

- Secure storage,
- Access limited to authorized personnel,
- Bulk inventory control records,

- Subsequent control records maintained through the point of issuance or use, and
- Periodic review and validation of inventory controls and records by parties not otherwise involved in maintaining control records.

The *Uniform Guidance* included in 2 CFR 200.303 requires that a nonfederal entity receiving federal awards establish and maintain internal controls that provide reasonable assurance that the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions in the federal award.

The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) identifies control activities that help ensure management directives are carried out throughout the operation. Verifications, approvals, and authorizations are all control activities that support this objective.

Condition: The Department utilizes 19 field offices spread over 7 regions for distribution of EBT cards. Each office is required monthly to complete logbooks that include the Idaho Issuance Log for Blank EBT Cards, Destruction Log for EBT Cards, Card Usage Report, and the Month End EBT Card Count. The monthly records are reviewed by an EBT specialist to determine inventory accuracy and that cards are being tracked correctly.

As part of implementing the corrective action plan for Finding 2021-210 from the State of Idaho Single Audit for fiscal year 2021, the Department's EBT supervisor began reviewing the EBT specialist's reviews of monthly records on a quarterly basis. However, the EBT supervisor's quarterly reviews for fiscal year 2022 did not begin until September 2022, which is in fiscal year 2023.

During our review, we identified 7 instances out of a sample of 25 months, or 28 percent, in which we could not verify that the EBT specialist's review of monthly records was either documented or completed at a sufficient level to identify errors or omissions.

Cause: The reviews of some office logs and reports by an EBT specialist were not documented or completed. Additionally, the supervisory oversight of the EBT specialist was not completed at a level sufficient to identify the lack of documentation or ensure completion of the required reviews. The Department began implementing a corrective action plan to address the Finding 2021-210 issued in April 2022, but changes in control procedures were not implemented during our audit period.

Effect: The lack of proper card security and inventory monitoring increases the risk of improper EBT card distribution and management. Without effective internal controls in operation, there is also an increased potential for further noncompliance with federal requirements.

Recommendation: We recommend that the Department continue to improve oversight regarding the regional offices and supplement internal controls and documentation to ensure compliance with the EBT security requirements.

Management's View: *The Department agrees with this finding.*

Corrective Action: *Immediately upon receiving the audit finding in March 2022, staff reviewed and revised procedures and fully implemented a corrective action plan by June 30, 2022. The entire EBT team was trained on the bulk card ordering and issuing process and modified security procedures to mitigate the risk of non-compliance in the future. The bulk card managers in the field offices review and reconcile card issuances monthly. Also, the EBT Supervisor documents the review of the previous quarter's electronic card audits for accuracy and completeness.*

Auditor's Concluding Remarks: We thank the Department for its cooperation and assistance throughout the audit.

STATE OF IDAHO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

MANAGEMENT'S BASIC FINANCIAL STATEMENTS FINDINGS CORRECTIVE ACTION PLAN

Corrective Action Plan - ACFR
For the Fiscal Year Ended June 30, 2022

<u>Office of the State Controller</u>

Finding Number 2022-101: The Office's internal review process did not prevent or detect misstatements in the statewide ACFR submitted to the auditors.

Related to Prior Finding: N/A

Agency's View: The Office agrees with this finding. Most errors were corrected prior to issuance of the financial statements.

Corrective Action: The State Controller's Office acknowledges the misstatements and presentation errors identified by the auditors. Most errors were corrected prior to the issuance of the financial statements. The office will continue to evaluate and make improvements to the internal review procedures along with improved analysis of the trends from one year to another. We will work with entities that we rely on for information to provide updated and correct information, including agencies that provide closing packages as well as audited financial statements. We will update coding information sheets to correct any identified errors. With new guidance being implemented we will do an extra review to validate all information required by guidance is incorporated. We will adjust internal deadlines to provide more time for thorough reviews.

The office will continue to communicate with component units to receive correct and timely information prior to the first draft.

Anticipated Corrective Action Date: The State Controller's Office will complete the corrective actions by June 30, 2023.

Responsible for Corrective Action:

Ethan Draves
Reporting and Review Bureau Chief
Phone: (208) 334-3100
email: edraves@sco.idaho.gov
700 W. State St., Fl. 5
Boise, ID 83720

Finding Number 2022-102: The Office's internal review procedures did not prevent or detect the understatement of Unrestricted Net Position and the overstatement of Net Position-Restricted for Other Purposes on the Component Unit Statement of Net Position.

Related to Prior Finding: N/A

Agency's View: The Office agrees with this finding.

Corrective Action: The State Controller's Office acknowledges the errors identified by the auditors. These errors were corrected prior to the issuance of the financial statements. We updated our grouping structure to be in line with the correct reporting.

Anticipated Corrective Action Date: The State Controller's Office will complete the corrective actions by June 30, 2023.

Responsible for Corrective Action: Ethan Draves
Reporting and Review Bureau Chief
Phone: (208) 334-3100
email: edraves@sco.idaho.gov
700 W. State St., Fl. 5
Boise, ID 83720

Idaho State Department of Education – Superintendent of Public Instruction

Finding Number 2022-103: The Department is not properly monitoring data that supports foundation payments made to school districts and charter schools.

Related to Prior Finding: N/A

Agency's View: The Department agrees with the finding.

Corrective Action: School Finance will implement a Letter of Assurance completed by school auditors acknowledging the review of auditing recommendations set forth in the annual memo. This document will outline key areas of focus and provide reassurance that these areas are being reviewed. Specifically, a question would be included asking if auditors reviewed internal controls for data submission and verified the accuracy of staffing and student information submitted by schools during the period of audit.

While public school finance staff do currently review the audits submitted, the department will develop an additional deeper review of a small sample of district/charter school audits to verify accuracy of data reporting.

Anticipated Corrective Action Date: The Department is working on a multi-step corrective action that will be carried out from January-June 2023.

Responsible for Corrective Action: Julie Oberle
Public School Finance
Phone: (208) 332-6840
email: JAOberle@sde.idaho.gov

Idaho Department of Health and Welfare

Finding Number 2022-104: The Department's internal review process did not prevent or detect errors in the Accounts Receivable closing package for the statewide ACFR.

Related to Prior Finding: N/A

Agency's View: The Department agrees with this finding.

Corrective Action: Compilation procedures and review processes will be strengthened to reduce the risk of non-compliance. Future closing packages will incorporate checklists and/or comparative analysis enhancements to mitigate the risk of inaccurate reporting of FMAP rates and other information.

Anticipated Corrective Action Date: The Department will complete the corrective actions by August 31, 2023.

Responsible for Corrective Action: Ryan Smith
Bureau Chief, Compliance
Phone: (208) 334-5814
email: Ryan.Smith@dhw.idaho.gov

Idaho State Tax Commission

Finding Number 2022-105: The Commission failed to report the Idaho Tax Rebate Fund restricted cash balance of $144.8 million and the related accounts payable liability.

Related to Prior Finding: N/A

Agency's View: The Commission agrees with this finding.

Corrective Action: Research applicable standards and consider all reporting methods related to the changes in funding and new fund. If applicable, create a new restricted cash closing package.

Anticipated Corrective Action Date: The Commission will complete the corrective actions by June 30, 2023.

Responsible for Corrective Action: Lisa Kopke
Financial Executive Officer
Email: lisa.kopke@tax.idaho.gov
Phone: (208) 334-7507

Finding Number 2022-106: Documentation of internal controls is not present due to lack of control process for unscheduled sales tax distribution.

Related to Prior Finding: N/A

Agency's View: The Commission agrees with this finding.

Corrective Action: Strengthen controls and create documentation of control activities performed for sales tax distributions and other unscheduled distributions. Segregation of duties are in place to assist with this process.

Anticipated Corrective Action Date: The Commission will complete the corrective actions by June 30, 2023.

Responsible for Corrective Action: Lisa Kopke
Financial Executive Officer
Email: lisa.kopke@tax.idaho.gov
Phone: (208) 334-7507

<u>Idaho Transportation Department</u>

Finding Number 2022-107: The Department's internal control procedures did not detect or prevent errors in reporting capital assets.

Related to Prior Finding: N/A

Agency's View: The Department agrees with the finding.

Corrective Action: The Department will correct the way we have previously reported Roadway Infrastructure capital asset activity reported on ACFR Note 6. Capital Assets over a significant number of years.

Capital Assets (12A) and Capital in Progress (13) - Roadway Infrastructure:

The new procedure will utilize the Roadway Infrastructure in-service date to determine whether or not the capital asset activity (increases and decreases) is classified as adjustments to beginning balances or current year. Most all Roadway Infrastructure projects are not completed within a single fiscal year, the in-service date will most likely be a prior fiscal year. Supporting documentation forms and procedures have been updated based on the corrective action plan.

Confirmation that the corrective action has been implemented can be verified by the shift in capital asset activity from current year (increases and decreases) to adjustments to beginning balances (balances at July 1, XXXX as restated) for assets being capitalized.

Anticipated Corrective Action Date: The Department resubmitted FY 2022 closing packages using the new corrective action plan. The Department has implemented the corrective action plan on 12/02/2022.

Responsible for Corrective Action: Bryan Brown
Financial Manager
Phone: (208) 334-4428
Email: Bryan.Brown@itd.idaho.gov

STATE OF IDAHO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

MANAGEMENT'S FEDERAL FINDINGS
CORRECTIVE ACTION PLAN

STATE OF IDAHO
CONTROLLER'S OFFICE
BRANDON D WOOLF

Corrective Action Plan - Single Audit
For the fiscal year ended June 30, 2022

Idaho Commission on Aging

Finding Number 2022-201: The Commission did not complete the required Federal Financial SF-425 Report for the Aging Cluster Grant program in a timely manner.

Federal Programs: 93.044, 93.045, 93.053 – Aging Cluster

Related to Prior Finding: N/A

Agency's view: The Commission agrees with this finding.

Corrective Action: Actions have been taken to complete SF-425 reports as they come due for each grant. A reporting workbook has been created to track awards and reporting dates. Reporting period end dates and due dates will be added to fiscal staff calendars. We will continue to keep our federal partners appraised of our progress through completion.

Anticipated Corrective Action Date: 'A soft target date for completion of all past due reports is set for September 30, 2023, and a hard target date of December 31, 2023.

Responsible for Corrective Action: Joe Zaher, Senior Financial Specialist
Joe.zaher@aging.idaho.gov
208-577-2864

Finding Number 2022-202: The Commission did not complete required reports for the Federal Funding Accountability and Transparency Act (FFATA).

Federal Programs: 93.044, 93.045, 93.053 – Aging Cluster

Related to Prior Finding: N/A

Agency's view: The Commission agrees with this finding.

Corrective Action: Federal Funding Accountability and Transparency Act (FFATA) reporting for federal fiscal years 2021, and 2022 have been completed as of March 27, 2023. The agency will complete FFATA reporting as awards are administered to sub-awardees going forward.

Anticipated Corrective Action Date: March 27, 2023

Responsible for Corrective Action: Joe Zaher, Senior Financial Specialist
Joe.zaher@aging.idaho.gov
208-577-2864

Office of the State Controller

Finding Number 2022-203: Errors in the elimination process between state agencies resulted in misstatements to the Schedule of Expenditures of Federal Awards (SEFA) totaling $14,656,928 for direct awards and $14,278,362 for expenditures provided to subrecipients.

Federal Programs:

21.027 - State and Local Fiscal Recovery Fund
84.334S - Gaining Early Awareness and Readiness for Undergraduate Programs

Related to Prior Finding: N/A

Agency's view: The Office agrees with this finding.

Corrective Action: We will improve our elimination and reporting process by adding the following steps:

- We will add an additional tab to our SEFA Master file to cross check all COVID-19 related funding to ensure agencies are not double reporting expenditures.
- We will add additional steps to our SEFA preparation and review checklist outlining specific steps for completing the subrecipient elimination process, and identify higher risk areas that require the most scrutiny.
- We will also improve our current elimination tab (awards received from other state agencies) and reconciliation procedures for subrecipients.

Anticipated Corrective Action Date: Errors identified were corrected prior to issuance of the Single Audit report. Changes to the subrecipient reporting process will occur for FY23 reporting.

Responsible for Corrective Action: Ethan Draves, Reporting and Review Bureau Chief
Edraves@sco.idaho.gov
208-334-3100

Finding Number 2022-204: $196,247,971 was not properly identified as covid-19 funds on the statewide Schedule of Expenditures of Federal Awards (SEFA).

Federal Programs:

10.551 - Supplemental Nutrition Assistance Program (SNAP)
10.557 - WIC Special Supplemental Nutrition Program for Women, Infants, and Children
10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
64.005- Grants to States for Construction of State Home Facilities
84.181 - Special Education - Grants for Infants and Families
84.425R - Education Stabilization Fund - Emergency Assistance for Non-Public Schools
93.391 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises
93.497 - Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports
93.590 - Community-Based Child Abuse Prevention Grants
93.958- Block Grants for Community Mental Health Services
93.977 - Sexually Transmitted Diseases (STD) Prevention and Control Grants

97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Related to Prior Finding: N/A

Agency's view: The Office agrees with this finding.

Corrective Action: Since the State began receiving COVID-19 funding, we diligently provided training and resources to the agencies regarding the funding and how it should be reported on the SEFA closing package. This includes a discussion in our annual closing package training, online resources regarding COVID-19 funds, an FAQ document, and being available to discuss questions and concerns. In addition to the steps we are currently taking, we will reiterate the importance of designating COVID-19 related expenditures on the SEFA closing package during our annual closing package training. We will review STARS activity in the COVID-19 related funds and compare to the agency submitted closing packages for reasonableness. Recognizing that not all agencies utilize these specific funds, we will also review COVID-19 related expenditures on an external online source that reports federal grant expenditures. We will then use this information to compare to what is reported on agency closing packages for reasonableness.

Anticipated Corrective Action Date: Errors identified were corrected prior to issuance of the Single Audit report. We will work with agencies to ensure all COVID-19 funds are identified for FY23 reporting.

Responsible for Corrective Action: Ethan Draves, Reporting and Review Bureau Chief
Edraves@sco.idaho.gov
208-334-3100

Idaho State Department of Education

Finding Number 2022-205: An expenditure was made by the Department for unallowable activities from the Elementary and Secondary School Emergency Relief (ESSER) program.

Federal Program: 84.425U - Education Stabilization Fund - ARPA ESSER III

Related to Prior Finding: N/A

Agency's view: The Department agrees with this finding.

Corrective Action: When the Elementary and Secondary School Emergency Relief Funds {ESSER) were first awarded, it was not required that districts attach any documentation to their Grant Reimbursement Application {GRA) requests. Federal Programs will start requiring that all requests coming in through the GRA system have supporting documentation attached as of July 1, 2023, which is the beginning of our next fiscal cycle.

Anticipated Corrective Action Date: We will announce this new procedure through emails and during our state-wide Consolidated Federal and State Grant Application training in April and May

2023.

Responsible for Corrective Action: Gideon Tolman, Chief Financial Officer
gtolman@sde.idaho.gov
208-332-6874

Finding Number 2022-206: The Department did not complete required subrecipient monitoring of the Elementary and Secondary School Emergency Relief (ESSER) Fund of the Education Stabilization Fund.

Federal Programs:

84.425U - Education Stabilization Fund – ARPA ESSER III
84.425D - Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund
84.425W - Education Stabilization Fund - ARPA ESSER - Homeless Children and Youth
84.425R - Education Stabilization Fund - Emergency Assistance for Non-Public Schools

Related to Prior Finding: 2021-204

Agency's view: The Department agrees with this finding.

Corrective Action: It was not until the end of the 2022 legislative session that spending authority was given to the State Department of Education to use ARP ESSER Sincerely, administrative funds to hire additional staff to meet the robust requirements identified by the U.S. Department of Education. Up to that point, only one full-time person was handling all of the needs associated with ESSER funds. Since then, two positions have been hired. The ESSER Data and Reporting Coordinator began in April 2022, and the ESSER Monitoring Coordinator began in June 2022. While developing the monitoring procedures began in July 2022, it was after the audit timeframe. The Department now has in place all ESSER monitoring policies and procedures and will complete year one monitoring before May 5, 2023.

Anticipated Corrective Action Date: May 2023

Responsible for Corrective Action: Gideon Tolman, Chief Financial Officer
gtolman@sde.idaho.gov
208-332-6874

Idaho Department of Fish and Game

Finding Number 2022-207: The amount reported as passed through to subrecipients on the Schedule of Expenditures of Federal Awards (SEFA) closing package was overstated by $331,500.

Federal Programs:

15.605 - Sport Fish Restoration
15.611 - Wildlife Restoration and Basic Hunter Education

Related to Prior Finding: N/A

Agency's view: The Department agrees with this finding.

Corrective Action: The Department will provide additional training and update its procedural documentation to ensure that expenses are thoroughly vetted before they are reported as subrecipient expenditures on the SEFA. Each expenditure identified as a subrecipient expense will be tied back to a specific subaward, further limiting the possibility of non-subaward expenses being reported in the subrecipient portion of the SEFA.

Anticipated Corrective Action Date: This corrective action plan will be implemented by the end of August 2023.

Responsible for Corrective Action: Michael Pearson, Chief, Bureau of Administration
michael.pearson@idfg.idaho.gov
(208) 287-2800

Jon Oswald, Financial Manager

jonathan.oswald@idfg.idaho.gov
(208) 287-2820

Idaho Department of Health and Welfare

Finding Number 2022-208: State Opioid Response program performance progress reports did not have documentation to support completion of a review for accuracy and compliance prior to submission.

Federal Program: 93.788 - Opioid STR

Related to Prior Finding: N/A

Agency's view: The Department agrees with this finding.

The contract manager attests that she did, in fact, review, edit, re-review and ultimately approve the 5 program performance reports to the grantor. The reports were either emailed to the Program Manager or uploaded in Teams for her review/approval. The auditor was provided documentation of these reviewed documents, including editing notes by that manager. Additionally, one-on-one supervision notes between the person submitting the reports and the contract manager validate that these reports were, in fact, reviewed and approved prior to submission to the grantor. The federal funder does not require this type of documentation of review/approval and the program was not aware of this CFR requirement. The program does, however, agree, that review and approval of these reports was not documented and that a corrective action plan is warranted.

Corrective Action: Beginning April 1, 2023, all required federal reports will include the following statement, which will be signed and dated electronically by the approving reviewer before the report is submitted:

> ☐ *I, ________________________, have reviewed and approved this report prior to submission.*
> *Name, title*

A copy of the approved and signed report will be retained in DBH's electronic grant funding records.

Anticipated Corrective Action Date: April 1, 2023

Responsible for Corrective Action: Kelly Combs, Bureau Chief, Compliance
kelly.combs@dhw.idaho.gov
208-334-5814

Finding Number 2022-209: An annual physical inventory was not completed for all storage facilities used by sub-distributing agencies for the Emergency Food Assistance Program as required by federal guidance.

Federal Program: 10.568 - Emergency Food Assistance Program

Related to Prior Finding: N/A

Agency's view: The Department agrees with this finding.

Corrective Action: The Department questioned and relied upon an opinion from the National Office of USDA Food and Nutrition Service (FNS), which administers TEFAP, affirming the Department's interpretation of the regulations for this program. Dixon, R. (2023) Email to Cho Heide, March 23. In that opinion the Department asserted and FNS agreed that the requirements for an annual physical review of food inventories only applies to storage facilities used by the state distributing agency or sub-distributing agencies (as defined in 7 CFR 250.2). The Department has always considered the organizations with which we have subgrant agreements for TEFAP to be eligible recipient agencies (as defined in 7 CFR 251.3), not sub-distributing agencies. The Department provided this information to LSO auditors but on review with them as relates to the compliance supplement for this program, it became clear that the guidance from FNS was not authoritative and therefore, did not supersede the compliance supplement. With this knowledge, the Department will work with FNS to clarify requirements within the compliance supplement, revising our control process in this program accordingly.

Anticipated Corrective Action Date: July 2023

Responsible for Corrective Action: Kelly Combs, Bureau Chief, Compliance
kelly.combs@dhw.idaho.gov
208-334-5814

Finding Number 2022-210: The Department did not review subrecipient application information for Coronavirus State and Local Fiscal Recovery Funds at a sufficient level to identify missing information from required documentation.

Federal Program: 21.027 - Coronavirus State and Local Fiscal Recovery Funds

Related to Prior Finding: N/A

Agency's view: The Department agrees with this finding.

In the rush to respond to emergency needs during the pandemic and the non-traditional format these funds were distributed, the Department neglected to properly review and hold incomplete attestation applications. The attestation application process was specifically developed under the pandemic, was a new process for staff, and was during the time period of transitioning from DUNS to Unique Identifier. Additionally, staff not typically involved in the subrecipient process approved the applications for payment and did not know to hold payments if the unique identifier field was blank. Finally, attestation documents did not route through the traditional internal processes where controls would have identified the gap. After funds were distributed and the misstep was realized, the Department verified Unique Identifiers through SAMS registration or by reaching out directly to the hospitals for documented proof. At the time of the audit, we did not have documentation of a unique identifier for two (2) hospitals out of the forty-three (43) awarded, but that information has subsequently been obtained.

The attestation process has since been discontinued. Internal controls are in place as the Department procurement policy; staff are trained to check SAM.gov on all subrecipients. Additionally, internal forms needed to execute a subrecipient agreement require documentation of the Unique Identifier. If the Unique Identifier field is left blank, the Department Contracts and Procurement Unit will not process the agreement request. This finding was a result of a new process and untrained staff pulled into the rapid dispersal of COVID funds.

Corrective Action: Corrective action is complete. Internal controls are in place as the Department procurement policy; staff are trained to check SAM.gov on all subrecipients. Additionally, internal forms needed to execute a subrecipient agreement require documentation of the Unique Identifier. If the Unique Identifier field is left blank, the Department Contracts and Procurement Unit will not process the agreement request. This finding was a result of a new process and untrained staff pulled into the rapid dispersal of COVID funds.

Anticipated Corrective Action Date: Corrective action has been taken as of April 2023

Responsible for Corrective Action: Kelly Combs, Bureau Chief, Compliance
kelly.combs@dhw.idaho.gov
208-334-5814

Finding Number 2022-211: The Schedule of Expenditures of Federal Awards (SEFA) closing package originally submitted to the Office of the State Controller did not properly identify COVID-19 Emergency Acts expenditures for multiple programs.

Federal Programs:

93.391 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises

10.551 - Supplemental Nutrition Assistance Program (Snap)

84.181 - Special Education - Grants for Infants and Families

93.497 - Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports

93.590 - Community-Based Child Abuse Prevention Grants

93.958 - Block Grants for Community Mental Health Services

93.977 - Sexually Transmitted Diseases (STD) Prevention and Control Grants

10.557 - WIC Special Supplemental Nutrition Program for Women, Infants, And Children

10.561 - State Administrative Matching Grants for The Supplemental Nutrition Assistance Program

Related to Prior Finding: 2021-206

Agency's view: The Department agrees with this finding.

The Department agrees with this finding but it is important to highlight that our internal controls and review processes are designed to detect and correct material inaccuracies or omissions of required information within the annual SEFA. As this does not constitute a material error, but rather a significant deficiency, the Department's controls for this process worked as intended.

This was a new requirement and Department personnel failed to identify a significant risk related to it and enhance the review procedures accordingly. This requirement will be monitored while we spend down the remaining COVID-19 emergency funding we have already been awarded.

Corrective Action: This corrective action plan is complete. Effective immediately, we will monitor awards for any new COVID-19 funding, but we don't believe that there will be any new COVID-19 awards. All existing awards have been confirmed as being reported as COVID-19 funding.

Anticipated Corrective Action Date: Corrective action has been taken as of April 2023

Responsible for Corrective Action: Kelly Combs, Bureau Chief, Compliance

kelly.combs@dhw.idaho.gov
208-334-5814

Finding Number 2022-212: The Department did not maintain consistent operation of controls and compliance with Electronic Benefit Transfer (EBT) Card Security procedures for the Supplemental Nutrition Assistance Program (SNAP).

Federal Programs:

10.551 - Supplemental Nutrition Assistance Program (SNAP)
10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

Related to Prior Finding: 2021-210

Agency's view: The Department agrees with this finding.

Corrective Action: Immediately upon receiving the audit finding in March 2022, staff reviewed and revised procedures and fully implemented a corrective action plan by June 30, 2022. The entire EBT team was trained on the bulk card ordering and issuing process and modified security procedures to mitigate the risk of non-compliance in the future. The bulk card managers in the field offices review and reconcile card issuances monthly. Also, the EBT Supervisor documents the review of the previous quarter's electronic card audits for accuracy and completeness.

Anticipated Corrective Action Date: See corrective action above.

Responsible for Corrective Action: Kelly Combs, Bureau Chief, Compliance
kelly.combs@dhw.idaho.gov
208-334-5814

Uncorrected Prior Findings

Idaho State Board of Education

Finding Number 2021-202: The Board underreported federal expenditures by $11,316,783 across three federal programs when completing the Schedule of Expenditures of Federal Awards (SEFA).

Federal Programs: 21.019 - Coronavirus Relief Fund, 84.425C - Governor's Emergency Education Relief Fund, 84.334S - Gaining Early Awareness and Readiness for Undergraduate Programs

Related to Prior Finding: N/A

Current Status: Partially corrected

Agency's view: The agency partially agrees with this finding. See corrective action below.

Planned Corrective Action: The first finding stated that we did not report $11,178,679 for the Governor's Emergency Education Relief Fund and $121,454 for the Coronavirus Relief Fund. We reported these funds in two out of three places in the Schedule of Expenditures of Federal Awards (SEFA) worksheet submitted to the State Controller's Office (SCO). The first place was on the SEFA tab in column 13, and the second place was in the Subrecipients tab, which shows each subrecipient and totals by CFDA number. The information in the Subrecipients tab was listed by CFDA. While there was no subtotal by CFDA in the Subrecipients tab, the CFDA numbers do total to the same total shown in column 13. We did not include these totals in column 18 because we assumed SCO would obtain the necessary information from the Subrecipients tab.

While we did include the necessary information for SCO to report the amount of 2021 Federal Expenditures to Subrecipients to the federal government in their statewide SEFA report, we acknowledge that we did not follow the explicit instructions of the SEFA worksheet, which would have resulted in reporting the amount of subrecipient expenditures in column 18. We will Include required dollar amounts in all three locations in the worksheet.

Anticipated Corrective Action Date: The corrective action will occur in the SEFA for FY 2022.

Reason for Recurrence: Errors were identified on the FY 2022 closing package, so the finding has not been fully corrected for FY 2022.

Responsible for Corrective Action: Patrick Coulson Tolman, Chief Financial Officer
Patrick.coulson@OSBE.idaho.gov
208-332-1563

Idaho State Department of Education

Finding Number 2021-204: The Department did not complete subrecipient monitoring of the Elementary and Secondary School Emergency Relief (ESSER) Fund.

Federal Program: 84.425D - Elementary and Secondary School Emergency Relief Fund

Related to Prior Finding: N/A (see 2022-206 above)

Agency's view: The Department agrees with this finding.

Planned Corrective Action: The impact of the COVID-19 pandemic has significantly disrupted K-12 operations since spring 2020. Idaho was short on resources from the beginning, as we were all caught off guard with the immediate and on-going challenges related to COVID-19, the laws that followed the President's emergency declaration, and the influx of funds to keep students and staff healthy and in school. After the initial closure in spring of 2020, all of Idaho's schools have remained open except for temporary closures resulting from a surge in cases.

The resource constraints we experienced from the outset of the pandemic became clearer after each ESSER allocation was made through the CARES Act, the CRRSA Act, and the ARP ESSER. All states were experiencing similar challenges, but most states had immediate access to administrative dollars to begin addressing requirements earlier.

It wasn't until the end of the 2022 legislative session, that the Superintendent was given approval and spending authority to use ARP ESSER administrative funds to hire additional staff to meet the robust requirements identified by the U.S. Department of Education. Since then, interviews have been conducted and two positions hired beginning in April. One of those positions is an ESSER Monitoring coordinator position. Staff are working with the Education Northwest Comprehensive Center #17 (technical assistance arm of the U.S. Department of Education) on an ESSER monitoring process and timeline. ESSER monitoring will consist of a fiscal section similar to ESEA and a program section that tracks baseline measures and outcome data three times a year on interventions to address the academic impact of lost instructional time and interventions to address social, emotional, and mental health needs of students. Data from the program tracking will be collected annually. A comprehensive desk review will be conducted at least once for each LEA with a self-assessment required in the off years. Monitoring the ARP Homeless Children & Youth (HCY) will also be incorporated into the ESSER monitoring process. ESSER monitoring will begin this spring prior to the 2021-2022 school year ending and continue through spring of 2025 as required by the U.S. Department of Education.

Anticipated Corrective Action Date: The Department expects to have a fully vetted plan in place within 90 days of hiring the ESSER monitoring position, who will report directly to Karen Seay, Director of Federal Programs.

Reason for recurrence: The Department was given approval to spend the funds at the end of 2022 legislative session, which was near the end of State fiscal year 2022. Due to this timing, the agency was not able to fill to positions and address the monitoring process.

Responsible for Corrective Action: Gideon Tolman, Chief Financial Officer
gtolman@sde.idaho.gov
208-332-6874

Idaho Department of Health and Welfare

Finding Number 2021-206: The original Schedule of Expenditures of Federal Awards submitted to the Office of the State Controller reported a total of $104.9 million to an incorrect Assistance Listing number and understatements totaling $71 million of pass-through amounts to subrecipients.

Federal Programs:

21.019 - Coronavirus Relief Fund

97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Related to Prior Finding: N/A (See 2022-211 above)

Agency's view: The Department agrees with the finding.

Planned Corrective Action: The Department has acknowledged the risk around this area and had already planned to implement a new process where the SEFA closing package would be prepared by the Cash and Grants Supervisor and reviewed in detail by the Financial Manager – Cash, Grants, and Revenue Operations. The Financial Executive Officer would still be responsible for final review and submission of the closing package. Unfortunately, as a result of staffing shortages and a significantly increased workload related to COVID-19 funding and reporting requirements, the Department had to make some concessions based on risks in many aspects of the business – one such concession was to not implement the more detailed review process for SFY21 SEFA preparation and rely on the previously implemented controls.

Anticipated Corrective Action Date: The Department intends to move forward with the implementation of the previously planned enhanced review procedures in the coming year.

Reason for recurrence: Although the corrective action plan was implemented as stated, errors still went unidentified in the review process. See 2022-211 above for details on the current year planned corrective action.

Responsible for Corrective Action: Kelly Combs, Bureau Chief, Compliance

kelly.combs@dhw.idaho.gov
208-334-5814

Finding Number 2021-210: The Department did not maintain consistent operation of controls and compliance with Electronic Benefit Transfer (EBT) card security procedures for the Supplemental Nutrition Assistance Program (SNAP).

Federal Programs: 10.551 - Supplemental Nutrition Assistance Program, 10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

Related to Prior Finding: N/A

Agency's view: The Department agrees with the finding.

Planned Corrective Action: The Department performed a comprehensive review of the EBT card security procedures and determined that proper procedures were not being appropriately performed and internal controls failed to be in compliance with EBT card inventory audit requirements. The Department will perform and complete the missing inventory audits by June 30, 2022 and the EBT Supervisor has reiterated the expectations of performing these audits. The entire EBT team has been trained on the bulk card ordering and issuing process and has modified security procedures to mitigate the risk of non-compliance in the future. Beginning in April of 2022, on a quarterly basis, the EBT Supervisor will review the previous quarter's electronic card audits for accuracy, completeness and that the required documentation was submitted by each field office. The bulk card stock has been relocated to a central location, audited, and a new bulk card manifest spreadsheet is being implemented. The new spreadsheet will be complete and in use by June 30, 2022. Moving forward, the EBT card audit process will be reviewed on a regular basis and aligned with federal and state regulation.

Anticipated Corrective Action Date: The Department will perform and complete the missing inventory audits by June 30, 2022. The new spreadsheet will be complete and in use by June 30, 2022.

Reason for recurrence: Due to the timing of when this was implemented, controls were not in place for the full fiscal year.

Responsible for Corrective Action: Kelly Combs, Bureau Chief, Compliance
kelly.combs@dhw.idaho.gov
208-334-5814

Idaho Transportation Department

Finding Number 2021-217: The salaries and benefits costs for employees working on multiple federal grants are not supported by personnel activity reports or another approved system.

Federal Programs:

20.509 - Formula Grants for Rural Areas
20.513 - Enhanced Mobility of Seniors and Individuals with Disabilities

Related to Prior Finding: N/A

Agency's view: The Idaho Transportation Department concurs with the audit finding and recommendation.

Planned Corrective Action: ITD is developing a new standard operating procedure (SOP) for the employees of the Public Transportation Office to ensure proper recording of their time to the associated federal grant program. The purpose of this plan is to ensure consistency year over year in allocating costs, avoid duplication of costs, and to ensure a more accurate accounting of time spent on each grant program. This SOP will be developed in collaboration with FTA oversight staff to ensure 2CFR200 compliance. The SOP will include an annual reevaluation of tasks and associated time spent to ensure accurate allocation of hours. The evaluation will include an examination of all activities associated with the management of our grant programs, and sub-allocate percentage of time spent based on several factors including but not limited to; number of providers in each program, average number of invoices received, invoice complexity, technical assistance ratings, number of applications, attendee representation, etc.

Anticipated Corrective Action Date: The new process will be implemented immediately upon completion, and FTA guidance on 2CFR200 compliance.

Reason for recurrence: ITD requested an exemption for this requirement. However, an approved waiver was not received, and the requirement was not met for FY 2022.

Responsible for Corrective Action: Ron Duran, Public Transportation Program Manager
Ron.duran@itd.idaho.gov
208-334-4475

<u>Idaho Division of Career and Technical Education</u>

Finding Number 2020-203: The Division does not perform subrecipient risk assessments or monitor subrecipient activities as required for the Career and Technical Education (Perkins V) grant.

Federal Program: 84.048 - Career and Technical Education - Basic Grants to States

Related to Prior Finding: N/A

Agency's view: The Idaho Division of Career Technical Education (IDCTE) agrees with this finding.

Planned Corrective Action: Prior to fiscal year 2021, IDCTE was in the process of developing a risk assessment and subrecipient monitoring program with the intent of implementation during state fiscal year 2021. As mentioned in the cause for finding 1, on February 6, 2020, the U.S. Department of Education, Office for Civil Rights (OCR) determined the need for all states to develop a new Methods of Administration (MOA) state plan with a connection to the Perkins V state plan. States had the option to conduct subrecipient monitoring for Perkins V and MOA reviews separately or as a combined process. IDCTE chose to combine the two in an effort to conduct onsite reviews more efficiently.

The MOA state plan includes a timeline of process development for the combined subrecipient/MOA risk assessment and review during fiscal year 2021 with implementation during fiscal year 2022.

Anticipated Corrective Action Date: IDCTE is on target to finish process development by June 30, 2021 with implementation beginning July 1, 2021. Desk audits are anticipated to begin in August of 2021 with the first onsite visits anticipated to take place beginning in February of 2022.

Partial Corrective Action Taken: We are currently working on policy development and implementation for the subrecipient monitoring process. At this time, we anticipate the policy will be developed by January 31, 2022 and implemented by February 1, 2022. We anticipate completing the first round of desk audits by March 30, 2022. Site visits should be completed by June 30, 2022.

Reason for Recurrence: The new policies were not implemented until after FY 2022 year-end, therefore they were not in place the fiscal year under audit.

Responsible for Corrective Action: Jennifer Pope, Program Director Perkins and MOA
Jennifer.pope@cte.idaho.gov
208-429-5531

Idaho Potato Commission

Finding Number 2019-211: The Commission is not performing subrecipient risk assessments, monitoring subrecipient activities, or reviewing subrecipient audits as required for the Specialty Crop Block Grant program.

Federal Program: CFDA #10.170 - Specialty Crop Block Grant Program

Related to Prior Finding: N/A

Agency's view: In reviewing the finding, Idaho Potato Commission agrees there is not a risk assessment, monitoring of activities, or review of subrecipient audit reviews.

Partial Corrective Action Taken: Idaho Potato Commission sent out risk assessments in June, July, and August 2020. The responses were reviewed and used with site visits.

Reason for Recurrence: The IPC sent the risk assessment to the University of Idaho, they filled it out and returned it. However, a few questions were left blank. In the future, risk assessments will be done in person to make sure all questions are answered. As of FY 2022, the finding has not been fully corrected.

Anticipated Corrective Action Date: Action was implemented in March 2020 for future Awarded Grants.
Responsible for Corrective Action: Travis Blacker, Industry Relations Director
Travis.blacker@potato.idaho.gov
208-360-9560

STATE OF IDAHO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE OF BASIC FINANCIAL STATEMENTS PRIOR FINDINGS

STATE OF IDAHO
SCHEDULE OF BASIC FINANCIAL STATEMENTS PRIOR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STATE AGENCY		PAGE
OFFICE OF THE STATE CONTROLLER		
2021-101	The Office's internal review process did not prevent or detect misstatements in the statewide ACFR submitted to the auditors.	77
2021-102	The Office's internal review procedures did not prevent or detect the understatement of Medicaid Payable on the Governmental Fund statements.	77
2021-103	The Office did not have control procedures implemented to ensure appropriate grouping of accounts on the Intergovernmental Revenue Sharing expenditure line on the Governmental Fund statements, resulting in misstatements to the initial financial statements submitted for audit.	77
2021-104	The Office did not have control procedures implemented to ensure the calculation of the IDLE allocation was based on the appropriate grouping of funds.	77
IDAHO STATE TAX COMMISSION		
2021-105	Critical reviews and reconciliations were not completed for sales tax distributions, fuel tax distributions, Rebound Idaho distributions, and total monthly refunds for 9 out of 12 months during fiscal year 2021. Additionally, the Total Monthly Refunds (Allotment Ledger) contained unreconciled amounts in the months of March through June 2021.	78
2021-106	The Commission submitted an Accounts Receivable closing package that lacked supporting documentation and contained errors resulting in an overstatement of $16,500,000.	78
2020-104	Internal control procedures were not consistently followed while employees worked remotely during the pandemic resulting in a lack of critical reviews for sales tax distributions, fuel tax distributions, Rebound Idaho distributions, reversals, and total monthly refunds that occurred in February, March, April, and May.	78
2019-104	Evidence of review for sales tax distributions and reversal reconciliations was not maintained.	79
IDAHO STATE TREASURER'S OFFICE		
2021-107	The Millennium Permanent Endowment Fund (MPEF) investment decisions are not being made with the involvement of, and recommendations from, the State Treasurer Investment Advisory Board, as required by Idaho Code.	78

STATE OF IDAHO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE OF FEDERAL PRIOR FINDINGS AND QUESTIONED COSTS

STATE OF IDAHO
SCHEDULE OF FEDERAL PRIOR FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STATE AGENCY		FEDERAL AGENCY	PAGE
OFFICE OF THE STATE CONTROLLER			
2021-201	The Schedule of Expenditures of Federal Awards (SEFA) was understated by $276,989,930 for amounts reported as provided to subrecipients.	Department of Treasury Department of Homeland Security	80
STATE BOARD OF EDUCATION			
2021-202	The Board underreported federal expenditures by $11,316,783 across three federal programs when completing the Schedule of Expenditures of Federal Awards (SEFA).	Department of Treasury Department of Education	80
2021-203	Internal controls over the review of Federal Funding Accountability and Transparency Act (FFATA) reports under the Governor's Emergency Education Relief (GEER) Fund are not sufficiently documented.	Department of Education	81
STATE DEPARTMENT OF EDUCATION, SUPERINTENDENT OF PUBLIC INSTRUCTION			
2021-204	The Department did not complete subrecipient monitoring of the Elementary and Secondary School Emergency Relief (ESSER) Fund.	Department of Education	81
OFFICE OF THE GOVERNOR			
2021-205	Quarterly Financial Progress Reports for the Coronavirus Relief Fund (CRF) contained inaccuracies.	Department of Treasury	82
IDAHO DEPARTMENT OF HEALTH AND WELFARE			
2021-206	The original Schedule of Expenditures of Federal Awards submitted to the Office of the State Controller reported a total of $104.9 million to an incorrect Assistance Listing number and understatements totaling $71 million of pass-through amounts to subrecipients.	Department of Treasury Department of Homeland Security	82
2021-207	The Department did not complete periodic audits for the Managed Care Organizations in the Medicaid program to ensure accuracy, truthfulness, and completeness of the encounter and financial data submitted.	Health and Human Services	83
2021-208	The Department utilized the incorrect National Correct Coding Initiative (NCCI) edit files in processing Medicaid payments that could result in improper payments because of outdated payment rates for procedures, changes in procedures allowed by Medicaid, and other changes to the edit files.	Health and Human Services	83
2021-209	Confidentiality agreements in place with Medicaid contractors did not include all required elements to ensure compliance with the Medicaid program.	Health and Human Services	83
2021-210	The Department did not maintain consistent operation of controls and compliance with Electronic Benefit Transfer (EBT) card security procedures for the Supplemental Nutrition Assistance Program (SNAP).	Department of Agriculture	84

STATE AGENCY		FEDERAL AGENCY	PAGE
2021-211	Subrecipient monitoring procedures were not adequate to ensure compliance with federal requirements for the Supplemental Nutrition Assistance Program (SNAP).	Department of Agriculture	84
IDAHO DEPARTMENT OF LABOR			
2021-212	The Department does not have internal control procedures in place to ensure the accuracy of performance reports for the Unemployment Insurance (UI) grant.	Department of Labor	84
IDAHO MILITARY DIVISION			
2021-213	The Division did not perform subrecipient risk assessments, ensure subrecipient audits were received, or fully disclose required information to subrecipients for the Presidentially Declared Disaster Grant.	Department of Homeland Security	85
2021-214	The Division did not properly submit two reports required under the Federal Funding Accountability and Transparency Act and was lacking internal controls related to performance progress reports for the Presidentially Declared Disaster Grant.	Department of Homeland Security	85
IDAHO STATE TAX COMMISSION			
2021-215	The Commission did not report over $52 million of expenditures for inclusion in the Schedule of Expenditures of Federal Awards under the Coronavirus Relief Fund for fiscal year 2021.	Department of Treasury	85
2021-216	Critical reviews and reconciliations were not completed for Rebound Idaho payments made from the Coronavirus Relief Fund for 9 out of the 12 months during fiscal year 2021.	Department of Treasury	85
IDAHO TRANSPORTATION DEPARTMENT			
2021-217	The salaries and benefits costs for employees working on multiple federal grants are not supported by personnel activity reports or another approved system.	Department of Transportation	86
IDAHO COMMISSION FOR THE BLIND AND VISUALLY IMPAIRED			
2020-202	The Commission does not have controls in place to ensure that the Case Service Report (RSA-911) for the Vocational Rehabilitation Grants to States is submitted with accurate data.	Department of Education	86
IDAHO DIVISION OF CAREER TECHNICAL EDUCATION			
2020-203	The Division does not perform subrecipient risk assessments or monitor subrecipient activities as required for the Career and Technical Education (Perkins V) grant.	Department of Education	87
2020-204	The Division did not meet the minimum maintenance of effort requirements for the Career and Technical Education (Perkins V) grant.	Department of Education	87

STATE OF IDAHO
SCHEDULE OF FEDERAL PRIOR FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STATE AGENCY		FEDERAL AGENCY	PAGE
2020-205	Internal controls over the review of match requirements for the Career and Technical Education (Perkins V) grant are not sufficiently documented.	Department of Education	88
IDAHO DEPARTMENT OF FISH AND GAME			
2020-207	Five of the twenty-two capital assets purchased or constructed with Bonneville Power Administration and Lower Snake River Compensation Plan grant funds were not recorded in the State of Idaho Fixed Asset System (FAS), which is not in compliance with State and federal equipment and real property management requirements.	Department of Interior Department of Energy	88
IDAHO DEPARTMENT OF HEALTH AND WELFARE			
2020-210	The Department utilized the incorrect National Correct Coding Initiative (NCCI) edit files in processing Medicaid payments that could result in improper payments because of outdated payment rates for procedures, changes in procedures allowed by Medicaid, and other changes to the edit files.	Department of Health and Human Services	88
2020-211	Confidentiality agreements in place with Medicaid contractors did not include all required elements to ensure compliance with the Medicaid program.	Department of Health and Human Services	88
IDAHO POTATO COMMISSION			
2019-211	The Commission is not performing subrecipient risk assessments, monitoring subrecipient activities, or reviewing subrecipient audits as required for the Specialty Crop Block Grant program.	Department of Agriculture	89

STATE OF IDAHO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

MANAGEMENT'S FOLLOW-UP FOR
BASIC FINANCIAL STATEMENTS PRIOR FINDINGS

STATE OF IDAHO
CONTROLLER'S OFFICE
BRANDON D WOOLF

Prior Findings Follow-up - ACFR
For the Fiscal Year Ended June 30, 2022

Office of the State Controller

Finding Number 2021-101: The Office's internal review process did not prevent or detect misstatements in the statewide ACFR submitted to the auditors.

Related to Prior Finding: N/A

Current Status: Corrected

Finding Number 2021-102: The Office's internal review procedures did not prevent or detect the understatement of Medicaid Payable on the Governmental Fund statements.

Related to Prior Finding: N/A

Current Status: Corrected

Finding Number 2021-103: The Office did not have control procedures implemented to ensure appropriate grouping of accounts on the Intergovernmental Revenue Sharing expenditure line on the Governmental Fund statements, resulting in misstatements to the initial financial statements submitted for audit.

Related to Prior Finding: N/A

Current Status: Corrected

Finding Number 2021-104: The Office did not have control procedures implemented to ensure the calculation of the IDLE allocation was based on the appropriate grouping of funds.

Related to Prior Finding: N/A

Current Status: Corrected

Idaho State Tax Commission

Finding Number 2021-105: Critical reviews and reconciliations were not completed for sales tax distributions, fuel tax distributions, Rebound Idaho distributions, and total monthly refunds for 9 out of 12 months during fiscal year 2021. Additionally, the Total Monthly Refunds (Allotment Ledger) contained unreconciled amounts in the months of March through June 2021.

Related to Prior Finding: 2020-104, 2019-104

Current Status: Corrected

Finding Number 2021-106: The Commission submitted an Accounts Receivable closing package that lacked supporting documentation and contained errors resulting in an overstatement of $16,500,000.

Related to Prior Finding: N/A

Current Status: Corrected

State Treasurer's Office

Finding Number 2021-107: The Millennium Permanent Endowment Fund (MPEF) investment decisions are not being made with the involvement of, and recommendations from, the State Treasurer Investment Advisory Board, as required by Idaho Code.

Related to Prior Finding: N/A

Current Status: Corrected

Prior year(s) findings open in FY 2022

Idaho State Tax Commission

Finding Number 2020-104: Internal control procedures were not consistently followed while employees worked remotely during the pandemic resulting in a lack of critical reviews for sales tax distributions, fuel tax distributions, Rebound Idaho distributions, reversals, and total monthly refunds that occurred in February, March, April, and May.

Related to Prior Finding: 2019-104

Current Status: Corrected

Finding Number 2019-104: Evidence of review for sales tax distributions and reversal reconciliations was not maintained.

Related to Prior Finding: N/A

Current Status: Corrected

STATE OF IDAHO
SINGLE AUDIT REPORT
<u>FOR THE FISCAL YEAR ENDED JUNE 30, 2022</u>

MANAGEMENT'S FOLLOW-UP FOR
FEDERAL PRIOR FINDINGS AND QUESTIONED COSTS

SCO
STATE OF IDAHO
CONTROLLER'S OFFICE
BRANDON D WOOLF

Summary Schedule of Prior Audit Findings - Single Audit
For the fiscal year ended June 30, 2022

<u>Office of the State Controller</u>

Finding Number 2021-201: The Schedule of Federal Expenditures of Federal Awards (SEFA) was understated by $276,989,930 for amounts reported as provided to subrecipients.

Federal Programs: 21.019 - Coronavirus Relief Fund, 21.023 - Emergency Rental Assistance Program, 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Related to Prior Finding: N/A

Current Status: Corrected

<u>Idaho State Board of Education</u>
Finding Number 2021-202: The Board underreported federal expenditures by $11,316,783 across three federal programs when completing the Schedule of Expenditures of Federal Awards (SEFA).

Federal Programs: 21.019 - Coronavirus Relief Fund, 84.425C - Governor's Emergency Education Relief Fund, 84.334S - Gaining Early Awareness and Readiness for Undergraduate Programs

Related to Prior Finding: N/A

Current Status: Partially Corrected

Agency's view: The agency partially agrees with this finding. See corrective action below.

Planned Corrective Action: The first finding stated that we did not report $11,178,679 for the Governor's Emergency Education Relief Fund and $121,454 for the Coronavirus Relief Fund. We reported these funds in two out of three places in the Schedule of Expenditures of Federal Awards (SEFA) worksheet submitted to the State Controller's Office (SCO). The first place was on the SEFA tab in column 13, and the second place was in the Subrecipients tab, which shows each subrecipient and totals by CFDA number. The information in the Subrecipients tab was listed by CFDA. While there was no subtotal by CFDA in the Subrecipients tab, the CFDA numbers do total to the same total shown in column 13. We did not include these totals in column 18 because we assumed SCO would obtain the necessary information from the Subrecipients tab.

While we did include the necessary information for SCO to report the amount of 2021 Federal Expenditures to Subrecipients to the federal government in their statewide SEFA report, we acknowledge that we did not follow the explicit instructions of the SEFA worksheet, which would have resulted in reporting the amount of subrecipient expenditures in column 18. We will Include required dollar amounts in all three locations in the worksheet.

Anticipated Corrective Action Date: The corrective action will occur in the SEFA for FY 2022.

Reason for Recurrence: Errors were identified on the FY 2022 closing package, so the finding has not been fully corrected for FY 2022.

Responsible for Corrective Action: Patrick Coulson Tolman, Chief Financial Officer
Patrick.coulson@OSBE.idaho.gov
208-332-1563

Finding Number 2021-203: Internal controls over the review of Federal Funding Accountability and Transparency Act (FFATA) reports under the Governor's Emergency Education Relief (GEER) Fund are not sufficiently documented.

Federal Programs: 84.425C - Governor's Emergency Education Relief Fund

Related to Prior Finding: N/A

Current Status: Corrected

Idaho State Department of Education

Finding Number 2021-204: The Department did not complete subrecipient monitoring of the Elementary and Secondary School Emergency Relief (ESSER) Fund.

Federal Programs: 84.425D - Elementary and Secondary School Emergency Relief Fund

Related to Prior Finding: N/A

Agency's view: The Department agrees with this finding.

Planned Corrective Action: The impact of the COVID-19 pandemic has significantly disrupted K-12 operations since spring 2020. Idaho was short on resources from the beginning, as we were all caught off guard with the immediate and on-going challenges related to COVID-19, the laws that followed the President's emergency declaration, and the influx of funds to keep students and staff healthy and in school. After the initial closure in spring of 2020, all of Idaho's schools have remained open except for temporary closures resulting from a surge in cases.

The resource constraints we experienced from the outset of the pandemic became clearer after each ESSER allocation was made through the CARES Act, the CRRSA Act, and the ARP ESSER. All states were experiencing similar challenges, but most states had immediate access to administrative dollars to begin addressing requirements earlier.

It wasn't until the end of the 2022 legislative session, that the Superintendent was given approval and spending authority to use ARP ESSER administrative funds to hire additional staff to meet the robust requirements identified by the U.S. Department of Education. Since then, interviews have been conducted and two positions hired beginning in April. One of those positions is an ESSER Monitoring coordinator position. Staff are working with the Education Northwest Comprehensive Center #17 (technical assistance arm of the U.S. Department of Education) on an ESSER monitoring process and timeline. ESSER monitoring will consist of a fiscal section similar to ESEA and a program section that tracks baseline measures and outcome data three times a year on interventions to address the academic impact of lost instructional time and interventions to address social, emotional, and mental health needs of students. Data from the program tracking will be collected annually. A comprehensive desk review will be conducted at least once for each LEA with a self-assessment required in the off years. Monitoring the ARP Homeless Children & Youth (HCY) will also be incorporated into the ESSER monitoring process. ESSER monitoring will begin this spring prior to the 2021-2022 school year ending and continue through spring of 2025 as required by the U.S. Department of Education.

Anticipated Corrective Action Date: The Department expects to have a fully vetted plan in place within 90 days of hiring the ESSER monitoring position, who will report directly to Karen Seay, Director of Federal Programs.

Current Status: Partially Corrected

Reason for recurrence: The Department was given approval to spend the funds at the end of 2022 legislative session, which was near the end of State fiscal year 2022. Due to this timing, the agency was not able to fill to positions and address the monitoring process.

Responsible for Corrective Action: Gideon Tolman, Chief Financial Officer
gtolman@sde.idaho.gov
208-332-6874

Idaho Office of the Governor

Finding Number 2021-205: Quarterly Financial Progress Reports for the Coronavirus Relief Fund (CRF) contained inaccuracies.

Federal Programs: 21.019 - Coronavirus Relief Fund

Related to Prior Finding: N/A

Current Status: Corrected

Idaho Department of Health and Welfare

Finding Number 2021-206: The original Schedule of Expenditures of Federal Awards submitted to the Office of the State Controller reported a total of $104.9 million to an incorrect Assistance Listing number and understatements totaling $71 million of pass-through amounts to subrecipients.

Federal Programs: 21.019 - Coronavirus Relief Fund, 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Related to Prior Finding: N/A

Agency's view: The Department agrees with the finding.

Planned Corrective Action: The Department has acknowledged the risk around this area and had already planned to implement a new process where the SEFA closing package would be prepared by the Cash and Grants Supervisor and reviewed in detail by the Financial Manager – Cash, Grants, and Revenue Operations. The Financial Executive Officer would still be responsible for final review and submission of the closing package. Unfortunately, as a result of staffing shortages and a significantly increased workload related to COVID-19 funding and reporting requirements, the Department had to make some concessions based on risks in many aspects of the business – one such concession was to not implement the more detailed review process for SFY21 SEFA preparation and rely on the previously implemented controls.

Anticipated Corrective Action Date: The Department intends to move forward with the implementation of the previously planned enhanced review procedures in the coming year.

Current Status: Partially Corrected

Reason for recurrence: Although the corrective action plan was implemented as stated, errors still went unidentified in the review process. See 2022-211 above for details on the current year planned corrective action.

Responsible for Corrective Action: Kelly Combs, Bureau Chief, Compliance
kelly.combs@dhw.idaho.gov
208-334-5814

Finding Number 2021-207: The Department did not complete periodic audits for the Managed Care Organizations in the Medicaid program to ensure accuracy, truthfulness, and completeness of the encounter and financial data submitted.

Federal Programs: 93.777 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII), 93.778 - Medicare Medical Assistance Program (Medicaid; Title XIX)

Related to Prior Finding: N/A

Current Status: Corrected

Finding Number 2021-208: The Department utilized the incorrect National Correct Coding Initiative (NCCI) edit files in processing Medicaid payments that could result in improper payments because of outdated payment rates for procedures, changes in procedures allowed by Medicaid, and other changes to edit files.

Federal Programs: 93.777 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII), 93.778 - Medicare Medical Assistance Program (Medicaid; Title XIX)

Related to Prior Finding: See 2020-210 below

Current Status: Corrected

Finding Number 2021-209: Confidentiality agreements in place with Medicaid contractors did not include all required elements to ensure compliance with the Medicaid program.

Federal Programs: 93.777 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII), 93.778 - Medicare Medical Assistance Program (Medicaid; Title XIX)

Related to Prior Finding: See 2020-211 below

Current Status: Corrected

Finding Number 2021-210: The Department did not maintain consistent operation of controls and compliance with Electronic Benefit Transfer (EBT) card security procedures for the Supplemental Nutrition Assistance Program (SNAP).

Federal Programs: 10.551 - Supplemental Nutrition Assistance Program, 10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

Related to Prior Finding: N/A

Agency's view: The Department agrees with the finding.

Corrective Action: The Department performed a comprehensive review of the EBT card security procedures and determined that proper procedures were not being appropriately performed and internal controls failed to be in compliance with EBT card inventory audit requirements. The Department will perform and complete the missing inventory audits by June 30, 2022 and the EBT Supervisor has reiterated the expectations of performing these audits. The entire EBT team has been trained on the bulk card ordering and issuing process and has modified security procedures to mitigate the risk of non-compliance in the future. Beginning in April of 2022, on a quarterly basis, the EBT Supervisor will review the previous quarter's electronic card audits for accuracy, completeness and that the required documentation was submitted by each field office. The bulk card stock has been relocated to a central location, audited, and a new bulk card manifest spreadsheet is being implemented. The new spreadsheet will be complete and in use by June 30, 2022. Moving forward, the EBT card audit process will be reviewed on a regular basis and aligned with federal and state regulation.

Anticipated Corrective Action Date: The Department will perform and complete the missing inventory audits by June 30, 2022. The new spreadsheet will be complete and in use by June 30, 2022.

Current Status: Partially Corrected

Reason for recurrence: Due to the timing of when this was implemented, controls were not in place for the full fiscal year.

Responsible for Corrective Action: Kelly Combs, Bureau Chief, Compliance
kelly.combs@dhw.idaho.gov
208-334-5814

Finding Number 2021-211: Subrecipient monitoring procedures were not adequate to ensure compliance with federal requirements for the Supplemental Nutrition Assistance Program (SNAP).

Federal Programs: 10.551 - Supplemental Nutrition Assistance Program, 10.561 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

Related to Prior Finding: N/A

Current Status: Corrected

<u>Idaho Department of Labor</u>

Finding Number 2021-212: The Department does not have internal control procedures in place to ensure the accuracy of performance reports for the Unemployment Insurance (UI) grant.

Federal Programs: 17.225 - Unemployment Insurance

Related to Prior Finding: N/A

Current Status: Corrected

<u>Idaho Military Division</u>

Finding Number 2021-213: The Division did not perform subrecipient risk assessments, ensure subrecipient audits were received, or fully disclose required information to subrecipients for the Presidentially Declared Disaster Grant.

Federal Programs: 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Related to Prior Finding: N/A

Current Status: Corrected

Finding Number 2021-214: The Division did not properly submit two reports required under the Federal Funding Accountability and Transparency Act, and was lacking internal controls related to performance progress reports for the Presidentially Declared Disaster Grant.

Federal Programs: 97.036 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Related to Prior Finding: N/A

Current Status: Corrected

<u>Idaho State Tax Commission</u>

Finding Number 2021-215: The Commission did not report over $52 million of expenditures for inclusion in the Schedule of Expenditures of Federal Awards under the Coronavirus Relief Fund for fiscal year 2021.

Federal Programs: 21.019 - Coronavirus Relief Fund

Related to Prior Finding: N/A

Current Status: Corrected

Finding Number 2021-216: Critical reviews and reconciliations were not completed for Rebound Idaho payments made from the Coronavirus Relief Fund for 9 out of the 12 months during fiscal year 2021**.**

Federal Programs: 21.019 - Coronavirus Relief Fund

Related to Prior Finding: N/A

Current Status: Corrected

<u>Idaho Transportation Department</u>

Finding Number 2021-217: The salaries and benefits costs for employees working on multiple federal grants are not supported by personnel activity reports or another approved system.

Federal Programs: 20.509 - Formula Grants for Rural Areas, 20.513 - Enhanced Mobility of Seniors and Individuals with Disabilities

Related to Prior Finding: N/A

Agency's view: The Idaho Transportation Department concurs with the audit finding and recommendation.

Corrective Action: ITD is developing a new standard operating procedure (SOP) for the employees of the Public Transportation Office to ensure proper recording of their time to the associated federal grant program. The purpose of this plan is to ensure consistency year over year in allocating costs, avoid duplication of costs, and to ensure a more accurate accounting of time spent on each grant program. This SOP will be developed in collaboration with FTA oversight staff to ensure 2CFR200 compliance. The SOP will include an annual reevaluation of tasks and associated time spent to ensure accurate allocation of hours. The evaluation will include an examination of all activities associated with the management of our grant programs, and sub-allocate percentage of time spent based on several factors including but not limited to; number of providers in each program, average number of invoices received, invoice complexity, technical assistance ratings, number of applications, attendee representation, etc.

Anticipated Corrective Action Date: The new process will be implemented immediately upon completion, and FTA guidance on 2CFR200 compliance.

Current Status: Uncorrected

Reason for recurrence: ITD requested an exemption for this requirement. However, an approved waiver was not received, and the requirement was not met for FY 2022.

Responsible for Corrective Action: Ron Duran, Public Transportation Program Manager
Ron.duran@itd.idaho.gov
208-334-4475

Uncorrected Prior Findings

Idaho Commission for the Blind and Visually Impaired

Finding Number 2020-202: The Commission does not have controls in place to ensure that the Case Service Report (RSA911) for the Vocational Rehabilitation Grants to States is submitted with accurate data.

Federal Program: 84.126 - Rehabilitation Services, Vocational Rehabilitation Grants to States

Related to Prior Finding: N/A

Current Status: Corrected

Idaho Division of Career and Technical Education

Finding Number 2020-203: The Division does not perform subrecipient risk assessments or monitor subrecipient activities as required for the Career and Technical Education (Perkins V) grant.

Federal Program: 84.048 - Career and Technical Education - Basic Grants to States

Related to Prior Finding: N/A

Agency's view: The Idaho Division of Career Technical Education (IDCTE) agrees with this finding.

Current Status: Partially Corrected

Planned Corrective Action: Prior to fiscal year 2021, IDCTE was in the process of developing a risk assessment and subrecipient monitoring program with the intent of implementation during state fiscal year 2021. As mentioned in the cause for finding 1, on February 6, 2020, the U.S. Department of Education, Office for Civil Rights (OCR) determined the need for all states to develop a new Methods of Administration (MOA) state plan with a connection to the Perkins V state plan. States had the option to conduct subrecipient monitoring for Perkins V and MOA reviews separately or as a combined process. IDCTE chose to combine the two in an effort to conduct onsite reviews more efficiently.

The MOA state plan includes a timeline of process development for the combined subrecipient/MOA risk assessment and review during fiscal year 2021 with implementation during fiscal year 2022.

Anticipated Corrective Action Date: IDCTE is on target to finish process development by June 30, 2021 with implementation beginning July 1, 2021. Desk audits are anticipated to begin in August of 2021 with the first onsite visits anticipated to take place beginning in February of 2022.

Partial Corrective Action Taken: We are currently working on policy development and implementation for the subrecipient monitoring process. At this time, we anticipate the policy will be developed by January 31, 2022 and implemented by February 1, 2022. We anticipate completing the first round of desk audits by March 30, 2022. Site visits should be completed by June 30, 2022.

Reason for Recurrence: The new policies were not implemented until after FY 2022 year-end, therefore they were not in place the fiscal year under audit

Responsible for Corrective Action: Jennifer Pope, Program Director Perkins and MOA
Jennifer.pope@cte.idaho.gov
208-429-5531

Finding Number 2020-204: The Division did not meet the minimum maintenance of effort requirements for the Career and Technical Education (Perkins V) grant.

Federal Program: 84.048 - Career and Technical Education - Basic Grants to States

Related to Prior Finding: N/A

Current Status: Corrected

Finding Number 2020-205: Internal controls over the review of match requirements for the Career and Technical Education (Perkins V) grant are not sufficiently documented.

Federal Program: 84.048 - Career and Technical Education - Basic Grants to States

Related to Prior Finding: N/A

Current Status: Corrected

Idaho Department of Fish and Game

Finding Number 2020-207: Five of the twenty-two capital assets purchased or constructed with Bonneville Power Administration and Lower Snake River Compensation Plan grant funds were not recorded in the State of Idaho Fixed Asset System (FAS), which is not in compliance with State and federal equipment and real property management requirements.

Federal Program: 81.U17 - Miscellaneous Bonneville Power Administration Grants
15.661 - Lower Snake River Compensation Plan

Related to Prior Finding: N/A

Current Status: Corrected

Idaho Department of Health and Welfare

Finding Number 2020-2010: The Department utilized the incorrect National Correct Coding Initiative (NCCI) edit files in processing Medicaid payments that could result in improper payments because of outdated payment rates for procedures, changes in procedures allowed by Medicaid, and other changes to the edit files.

Federal Program: 93.777, 93.778 - Medicaid Cluster

Related to Current Year Finding: See 2021-208 above

Current Status: Corrected

Finding Number 2020-211: Confidentiality agreements in place with Medicaid contractors did not include all required elements to ensure compliance with the Medicaid program.

Federal Program: 93.777, 93.778 - Medicaid Cluster

Related to Current Year Finding: See 2021-209 above

Current Status: Corrected

Idaho Potato Commission

Finding Number 2019-211: The Commission is not performing subrecipient risk assessments, monitoring subrecipient activities, or reviewing subrecipient audits as required for the Specialty Crop Block Grant program.

Federal Program: CFDA #10.170 - Specialty Crop Block Grant Program

Related to Prior Finding: N/A

Current Status: Partially Corrected

Agency's view: In reviewing the finding, Idaho Potato Commission agrees there is not a risk assessment, monitoring of activities, or review of subrecipient audit reviews.

Partial Corrective Action Taken: Idaho Potato Commission sent out risk assessments in June, July, and August 2020. The responses were reviewed and used with site visits.

Reason for Recurrence: The IPC sent the risk assessment to the University of Idaho, they filled it out and returned it. However, a few questions were left blank. In the future, risk assessments will be done in person to make sure all questions are answered. As of FY 2022, the finding has not been fully corrected.

Anticipated Corrective Action Date: Action was implemented in March 2020 for future Awarded Grants.

Responsible for Corrective Action: Travis Blacker, Industry Relations Director
Travis.blacker@potato.idaho.gov
208-360-9560