



**UNIVERSITY OF MAINE SYSTEM**

Auditors' Reports as Required by Office of  
Management and Budget (OMB) Circular A-133 and  
*Government Auditing Standards* and Related Information

Year ended June 30, 2010

**UNIVERSITY OF MAINE SYSTEM**

Auditors' Reports as Required by Office of  
Management and Budget (OMB) Circular A-133 and  
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KPMG LLP  
Two Financial Center  
60 South Street  
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Exhibit I

**Report on Compliance with Requirements That Could Have a Direct and Material Effect on Major Program, Internal Control over Compliance, and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133**

The Board of Trustees  
University of Maine System:

**Compliance**

We have audited the University of Maine System's (the System) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* (Compliance Supplement) that could have a direct and material effect on each of the System's major federal programs for the year ended June 30, 2010. The System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the System's management. Our responsibility is to express an opinion on the System's compliance based on our audit.

We did not audit the System's compliance with the requirements governing student loan repayment processing services in accordance with the requirements of the Student Financial Assistance Cluster: Federal Perkins Loan program as described in the Compliance Supplement. Those requirements govern functions performed by Education Loan Servicing, LLC (d/b/a Campus Partners). Since we did not apply auditing procedures to satisfy ourselves as to compliance with those requirements, the scope of work was not sufficient to enable us to express, and we do not express, an opinion on compliance with those requirements. Campus Partners' compliance with the requirements governing the functions that it performs for the System for the year ended June 30, 2010 was examined by other accountants in accordance with the U.S. Department of Education's Audit Guide, *Audits of Federal Student Financial Assistance Programs at Participating Institutions and Institution Servicers*. Our report does not include the results of the other accountants' examination of Campus Partners' compliance with such requirements.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements described in the Compliance Supplement that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the System's compliance with those requirements.



In our opinion, the System complied, in all material respects, with the compliance requirements referred to in the first paragraph above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2010-01.

### **Internal Control over Compliance**

Management of the System is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the System's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the System's internal control over compliance.

Requirements governing student loan repayment processing services in the Student Financial Assistance Cluster: Federal Perkins Loan program as described in the Compliance Supplement are performed by Campus Partners. Internal control over compliance related to such functions for the year ended June 30, 2010 was reported on by other accountants in accordance with the U.S. Department of Education's Audit Guide, *Audits of Federal Student Financial Assistance Programs at Participating Institutions and Institution Servicers*. Our report does not include the results of the other accountants' testing of Campus Partners' internal control over compliance related to such functions.

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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2010-01. 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.

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the System as of and for the year ended June 30, 2010, and have issued our report thereon, dated November 2, 2010. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. Our report was



## Exhibit I

modified to include a reference to other auditors. The accompanying schedule of expenditures of federal awards (Exhibit II) is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The System's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the System's response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, elected officials, management, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

*KPMG LLP*

March 30, 2011

(except for the schedule of expenditures  
of federal awards, which is as of November 2, 2010)

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2010

Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Student Financial Assistance Cluster:			
U.S. Department of Education:			
Federal Supplemental Educational Opportunity Grant Program		84.007	\$ 4,490,272
Federal Family Education Loans (note 2)		84.032	116,818,454
Federal Work-Study Program		84.033	3,872,624
ARRA Federal Work-Study Program		84.033	840,277
Federal Perkins Loan Program (note 2)		84.038	1,339,354
Federal Perkins Loan Program Administrative Cost Allowance		84.038	398,903
Federal Pell Grant Program		84.063	40,105,818
Federal Direct Student Loans		84.268	29,668,705
Academic Competitiveness Grant		84.375	1,410,749
National Science and Mathematics Access to Retain Talent Grant		84.376	1,038,013
Total U.S. Department of Education			199,983,169
U.S. Department of Health and Human Services:			
Federal Nursing Loan Program (note 2)		93.364	260,669
Total Student Financial Assistance Cluster			200,243,838
SNAP Cluster:			
Passed-through:			
Maine Department of Health and Human Services:			
State Administrative Matching Grants for the Supplemental Nutrition Program		10.561	3,392,178
Total SNAP Cluster			3,392,178
Employment Services Cluster:			
Passed-through:			
Maine Department of Labor:			
Employment Service		17.207	24,443
Association for Enterprise Opportunity:			
Employment Service		17.207	4,360
Total Employment Services Cluster			28,803
WIA Cluster:			
Passed-through:			
Maine Department of Labor:			
WIA Adult Program		17.258	16,492
Western Maine Action, Inc:			
WIA Youth Activities		17.259	16,492
Western Maine Action, Inc:			
ARRA WIA Youth Activities		17.259	92,791
Eastern Maine Development Corp:			
ARRA WIA Youth Activities		17.259	1,476
Total CFDA Number 17.259			110,759
Eastern Maine Development Corp:			
WIA Dislocated Workers		17.260	16,992
Total WIA Cluster			144,243
Highway Planning and Construction Cluster:			
Passed-through:			
Maine Department of Transportation:			
Highway Planning and Construction	2010506*5729	20.205	9
Key Foundation:			
Highway Planning and Construction		20.205	32,902
Total CFDA Number 20.205			32,911
Total Highway Planning and Construction Cluster			32,911
Special Education Cluster:			
Passed-through:			
Maine Department of Education:			
Special Education – Grants to States	01305A305012	84.027	247,781
Special Education – Grants to States	01305A715512	84.027	59,580
Total Special Education Cluster			307,361
TRIO Cluster:			
U.S. Department of Education:			
TRIO – Student Support Services		84.042	2,003,646
Passed-through:			
Maine Department of Education:			
TRIO – Student Support Services		84.042	10,696
Total CFDA Number 84.042			2,014,342

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2010

Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
TRIO – Talent Search		84.044	\$ 472,143
Passed-through:			
Office of the Commissioner of Higher Education – Montana:			
TRIO – Talent Search		84.044	3,109
Total CFDA Number 84.044			<u>475,252</u>
TRIO – Upward Bound		84.047	2,459,709
TRIO – Educational Opportunity Centers		84.066	670,311
Total TRIO Cluster			<u>5,619,614</u>
State Fiscal Stabilization Fund Cluster:			
Passed-through:			
Maine Department of Education:			
ARRA State Fiscal Stabilization Fund – Education Grants, Recovery Act		84.394	7,152,259
Total Fiscal Stabilization Fund Cluster			<u>7,152,259</u>
Educational Technology State Grants Cluster:			
Passed-through:			
Maine Department of Education:			
ARRA Education Technology State Grants, Recovery Act		84.386	59,154
Total Educational Technology State Grants Cluster			<u>59,154</u>
Early Intervention Services (IDEA) Cluster:			
Passed-through:			
Maine Department of Education:			
ARRA Special Education – Grants for Infants and Families, Recovery Act		84.393	112,026
Total Early Intervention Services (IDEA) Cluster			<u>112,026</u>
TANF Cluster:			
Passed-through:			
Maine Department of Health and Human Services:			
Temporary Assistance for Needy Families (TANF) State Programs		93.558	679,936
Total TANF Cluster			<u>679,936</u>
CCDF Cluster:			
Passed-through:			
Maine Department of Health and Human Services:			
Child Care and Development Block Grant		93.575	1,632,090
Child Care Mandatory and Matching Funds of the Child Care and Development Fund		93.596	16,983
ARRA – Child Care and Development Block Grant		93.713	256,476
Total Child Care Cluster			<u>1,905,549</u>
Medicaid Cluster:			
Passed-through:			
The MEDSTAT Group, Inc.:			
Medical Assistance Program	USM-SNP-2007-1	93.778	(37)
Maine Dept of Health and Human Services:			
Medical Assistance Program		93.778	154,370
Total CFDA Number 93.778			<u>154,333</u>
Total Medicaid Cluster			<u>154,333</u>
Foster Grandparent/Senior Companion Cluster:			
U.S. Corp. for National and Community Service:			
Senior Companion Program	09SCAME001	94.016	304,162
Total Foster Grandparent/Senior Companion Cluster			<u>304,162</u>
Homeland Security Cluster:			
Passed-through:			
Maine Depart Defense/Veterans Services:			
Homeland Security Grant Program		97.067	43,265
Maine Emergency Mgt Agency:			
Homeland Security Grant Program		97.067	149,080
Total CFDA Number 97.067			<u>192,345</u>
Total Homeland Security Cluster			<u>192,345</u>

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2010

Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Research and Development Cluster:			
U.S. Department of Agriculture:			
Department of Agriculture Awards with No CFDA Number		10.000	\$ 210,770
Passed-through:			
Northeast Regional Aquaculture Ctr:			
Department of Agriculture Awards with No CFDA Number		10.000	17,423
Total CFDA Number 10.000			<u>228,193</u>
Agric Research-Basic & Applied		10.001	175,933
Passed-through:			
State of Maine Department of Agriculture:			
Plant and Animal Disease Pest Control		10.025	5,870
Grants for Agric Research – Spec. Research		10.200	1,003,546
Passed-through:			
TexTech Industries:			
Grants for Agric Research – Spec. Research	W911NF-07-C-0006	10.200	22,582
Cornell University:			
Grants for Agric Research – Spec. Research		10.200	12,261
University of Connecticut:			
Grants for Agric Research – Spec. Research		10.200	89,883
University of Vermont:			
Grants for Agric Research – Spec. Research		10.200	43,797
University of Mass-Amherst:			
Grants for Agric Research – Spec. Research	09-004996A00	10.200	14,293
University of Maryland:			
Grants for Agric Research – Spec. Research		10.200	109,767
Total CFDA Number 10.200			<u>1,296,129</u>
Cooperative Forestry Research		10.202	671,048
Payments to Agricultural Experiment Stations-Hatch		10.203	2,263,021
Grants for Agric Research – Competitive Research Grants		10.206	468,500
Passed-through:			
University of Rhode Island:			
Grants for Agric Research – Comp Research		10.206	15,244
University of Wisconsin:			
Grants for Agric Research – Comp Research		10.206	24,583
Baylor University:			
Grants for Agric Research – Comp Research		10.206	44,081
University of Georgia:			
Grants for Agric Research – Comp Research	RC293-502/3843648	10.206	19,955
Virginia Tech:			
Grants for Agric Research – Comp Research		10.206	21,820
South Dakota State University:			
Grants for Agric Research – Comp Research		10.206	4,722
Total CFDA Number 10.206			<u>598,905</u>
Food and Agricultural Sciences National Needs Graduate Fellowship	2007-38420-17764	10.210	44,071
Passed-through:			
University of Vermont:			
Sustainable Agricultural Research & Education		10.215	22,036
University of Massachusetts:			
Sustainable Agricultural Research & Education		10.215	177
Total CFDA Number 10.215			<u>22,213</u>
Integrated Programs		10.303	408,334
Passed-through:			
University of Rhode Island:			
Integrated Programs	100405/0000516-A	10.303	54,804
University of New Hampshire:			
Integrated Programs	PZ07019	10.303	26,944
Cornell University:			
Integrated Programs	59041-9143	10.303	2,571
Penn State University:			
Integrated Programs		10.303	151,325
Total CFDA Number 10.303			<u>643,978</u>



**UNIVERSITY OF MAINE SYSTEM**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2010

Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Organic Agriculture Research and Extension Initiative University of Vermont:		10.307	\$ 70,792
Organic Agriculture Research and Extension Initiative Ohio State University:		10.307	14,939
Organic Agriculture Research and Extension Initiative		10.307	<u>24,021</u>
Total CFDA Number 10.307			<u>109,752</u>
Specialty Crop Research Initiative		10.309	19,681
Passed-through:			
University of Connecticut:			
Agriculture and Food Research Initiative (AFRI)		10.310	418
Itaconix, LLC:			
Biomass Research & Development Initiative Competitive Grants		10.312	59,330
Cooperative Extension Service		10.500	235,786
Passed-through:			
University of Delaware:			
Cooperative Extension Service		10.500	(7,400)
University of Vermont:			
Cooperative Extension Service		10.500	<u>(28,528)</u>
Total CFDA Number 10.500			<u>199,858</u>
Forestry Research		10.652	478,726
Passed-through:			
University of Vermont:			
Forestry Research		10.652	<u>47,626</u>
Total CFDA Number 10.652			<u>526,352</u>
Cooperative Forestry Assistance		10.664	(1,293)
Forest Health Protection		10.680	19,066
Passed-through:			
Gulf of Maine Research Institute:			
National Fish and Wildlife Foundation		10.683	17,179
Environmental Quality Incentives Program		10.912	8,815
Scientific Cooperation Program		10.961	(3,207)
Passed-through:			
Shanghai Jiao tong University:			
Scientific Cooperation Program		10.961	<u>19,727</u>
Total CFDA Number 10.961			<u>16,520</u>
Cochran Fellowship Program-International Training-Foreign Participant	58-3148-8-206	10.962	<u>1,519</u>
Total Department of Agriculture			<u>6,926,558</u>
U.S. Department of Commerce:			
Department of Commerce Awards with No CFDA Number		11.000	37,192
Passed-through:			
The Nature Conservancy:			
Department of Commerce Awards with No CFDA Number		11.000	<u>14,039</u>
Total CFDA Number 11.000			<u>51,231</u>
Economic Development-Technical Assistance		11.303	131,200
Economic Adjustment Assistance		11.307	389,536
Geodetic Surveys and Services		11.400	2,609
Anadromous Fish Conservation Act Program		11.405	20,606
Sea Grant Support		11.417	1,211,538
Passed-through:			
Great Bay Aquaculture:			
Sea Grant Support		11.417	14,954
Univ of Southern Mississippi:			
Sea Grant Support	07-01-067	11.417	(6,338)
Univ of Mississippi:			
Sea Grant Support		11.417	6,034
Dartmouth College:			
Sea Grant Support		11.417	<u>19,309</u>
Total CFDA Number 11.417			<u>1,245,497</u>

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2010

Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Passed-through:			
Maine Dept of Marine Resources:			
Coastal Zone Management Admin Awards	CT-13A-2008011700000	11.419	\$ 16,390
Maine State Planning Office:			
Coastal Zone Management Admin Awards		11.419	<u>27,662</u>
Total CFDA Number 11.419			<u>44,052</u>
Coastal Zone Management Estuarine Research		11.420	18,602
Passed-through:			
Milot Real Estate:			
Coastal Energy Impact Grants		11.422	5,515
Fisheries Development and Utilization Research		11.427	173,685
Passed-through:			
University of New Hampshire:			
Fisheries Development and Utilization Research		11.427	<u>1,919</u>
Total CFDA Number 11.427			<u>175,604</u>
Climate and Atmospheric Research		11.431	114,192
Passed-through:			
Columbia University:			
Climate and Atmospheric Research		11.431	53,264
Oregon State University:			
Climate and Atmospheric Research	NA172A-A	11.431	<u>7,864</u>
Total CFDA Number 11.431			<u>175,320</u>
Woods Hole Oceanographic Institute:			
National Oceanic and Atmospheric Admin Coop Institutes		11.432	23,411
Unallied Management Products		11.454	60,813
Passed-through:			
Maine Dept of Marine Resources:			
Unallied Management Products		11.454	<u>26,202</u>
Total CFDA Number 11.454			<u>87,015</u>
Passed-through:			
Gulf of Maine Research Institute:			
Cooperative Science and Education Program		11.455	31,127
Gulf of Me Ocean Observing Sys:			
Special Oceanic and Atmospheric Project		11.460	41,732
Passed-through:			
Nat'l Fish & Wildlife Foundation:			
Habitat Conservation	2006-0090-002	11.463	(24)
Penobscot River Trust:			
ARRA Habitat Conservation		11.463	611,759
Penobscot River Trust:			
Habitat Conservation		11.463	4,929
Project SHARE:			
ARRA Habitat Conservation		11.463	<u>23,230</u>
Total CFDA Number 11.463			<u>639,894</u>
Passed-through:			
Maine Department of Marine Resources:			
Unallied Science Program		11.472	163,964
University of New Hampshire:			
Unallied Science Program		11.472	9,152
University of Rhode Island:			
Unallied Science Program	011707/0001224	11.472	<u>10,349</u>
Total CFDA Number 11.472			<u>183,465</u>
Woods Hole Oceanographic Inst.:			
Coastal Services Center		11.473	114,088
University of Puerto Rico – Mayaguez:			
Coastal Services Center		11.473	235,244
Prince Wlm Sound Science Ctr:			
Coastal Services Center		11.473	<u>29,968</u>
Total CFDA Number 11.473			<u>379,300</u>

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2010

Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Center for Sponsored Coastal Ocean Research		11.478	\$ 265,607
Passed-through:			
Woods Hole Oceanographic Inst.:			
Center for Sponsored Coastal Ocean Research		11.478	219,021
Total CFDA Number 11.478			<u>484,628</u>
ARRA National Institute of Standards and Technology Construction	60NANB10D032	11.618	1,009,600
Total Department of Commerce			<u>5,139,944</u>
U.S. Department of Defense:			
Department of Defense Awards with no CFDA Number		12.000	103,255
Passed-through:			
Battelle:			
Dept of Defense Awards with no CFDA Number	TCN09212	12.000	30,640
Composite Technology Dev., Inc:		12.000	19,429
Dept of Defense Awards with no CFDA Number		12.000	280,343
Hodgdon Defense Composites:			
Dept of Defense Awards with no CFDA Number	HDC-09-002	12.000	280,343
Logos Technologies, Inc:			
Dept of Defense Awards with no CFDA Number	SUB-226-UME1	12.000	334,818
Maine Marine Manufacturing:			
Dept of Defense Awards with no CFDA Number	MMM-07-006	12.000	17,243
Maine Institute for Human Gen & Hlth:			
Dept of Defense Awards with no CFDA Number		12.000	35,807
TexTech Industries:			
Dept of Defense Awards with no CFDA Number		12.000	45,006
TexTech Industries:			
ARRA Dept of Defense Awards with no CFDA Number		12.000	179,526
Universal Technology Corp:			
Dept of Defense Awards with no CFDA Number	08-S508-035-C1	12.000	1,101,491
Total CFDA Number 12.000			<u>2,147,558</u>
Basic and Applied Scientific Research		12.300	3,184,130
Passed-through:			
Samueli Institute:			
Military Medical Research and Development	2EA-0000054	12.420	24,842
Maine Institute for Human Gen & Hlth:			
Military Medical Research and Development		12.420	1,606
The Jackson Laboratory:			
Military Medical Research and Development		12.420	83,716
Total CFDA Number 12.420			<u>110,164</u>
Basic Scientific Research		12.431	793,695
Basic Applied & Advanced Research		12.630	1,424,056
Total Department of Defense			<u>7,659,603</u>
U.S. Department of Housing and Urban Development:			
Passed-through:			
Town of Stonington:			
Community Development Block Grants/Entitlement Grants		14.218	34
Total Department of Housing and Urban Development			<u>34</u>
U.S. Department of Interior:			
Department of Interior Awards with No CFDA Number		15.000	170,518
Cultural Resource Management		15.224	66
Fish and Wildlife Management Assistance		15.608	14,066
Passed-through:			
Maine Inland Fisheries & Wildlife:			
Fish and Wildlife Management Assistance	924367	15.608	40,013
Nat'l Fish & Wildlife Foundation:			
Fish and Wildlife Management Assistance		15.608	36,770
Total CFDA Number 15.608			<u>90,849</u>
Passed-through:			
Maine Inland Fisheries & Wildlife:			
Wildlife Conservation and Restoration		15.625	22,166
Coastal Program		15.630	6,860

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2010

Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Passed-through:			
Maine Inland Fisheries & Wildlife:			
State Wildlife Grants		15.634	\$ 57,563
Challenge Cost Share		15.642	7,473
Research Grants (Generic)		15.650	17,299
Visitor Facility Enhancements – Vehicle Pullouts, Trails		15.654	18,527
Assistance to State Water Resources Research Institutes		15.805	92,707
Passed-through:			
University of New Hampshire:			
Assistance to State Water Resources Research Institutes		15.805	30,780
Total CFDA Number 15.805			<u>123,487</u>
U.S. Geological Survey-Research & Data Collection		15.808	29,857
Cooperative Research Units Program		15.812	234,358
Urban Park & Recreation Recovery Program		15.919	63
Total Department of Interior			<u>779,086</u>
U.S. Department of Justice:			
Department of Justice with No CFDA Number		16.000	60
OVW Technical Assistance Initiative		16.526	1,415
Passed-through:			
Maine Department of Corrections:			
Part E-Developing, Testing and Demonstrating Promising New Programs		16.541	197,827
Maine Department of Health and Human Services:			
Edward Byrne Mem St & Local Law Enf. Assist Discr Grants Prog	CA-SA-09-211	16.580	(3,575)
Justice Research & Stat Assoc:			
Special Data Collections and Statistical Studies	ME11-2009-001	16.734	43,073
Maine Department of Health and Human Services:			
Harold Rogers Prescription Drug Monitoring Program	CA-SA-10-211	16.754	31,170
Total Department of Justice			<u>269,970</u>
U.S. Department of Labor:			
Passed-through:			
Maine Department of Labor:			
Unemployment Insurance		17.225	62,884
WIA Pilots, Demonstrations, and Research Projects		17.261	455,555
Maine Technical College System:			
Community Based Job Training Grants		17.269	21,262
Total Department of Labor			<u>539,701</u>
U.S. Department of Transportation:			
Department of Transportation Awards with No CFDA Number		20.000	305,779
Passed-through:			
Cornell University:			
Department of Transportation Awards with No CFDA Number		20.000	5,720
Maine Department of Transportation:			
Department of Transportation Awards with No CFDA Number		20.000	143,511
Total CFDA Number 20.000			<u>455,010</u>
Aviation Research Grants		20.108	12,125
Highway Research and Development Program		20.200	19,105
Passed-through:			
Maine Department of Transportation:			
Highway Planning & Construction		20.205	3,228
Maine Department of Conservation:			
Recreation Trails Program		20.219	(843)
Passed-through:			
Montana State University:			
Public Transportation Research		20.514	15,027
Passed-through:			
MIT:			
University Transportation Centers Program		20.701	99,114
Cornell University:			
Biobased Transportation Research	52110-8686	20.761	52,140
Total Department of Transportation			<u>654,906</u>

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2010

Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
National Aeronautics & Space Administration:			
NASA Awards with No CFDA Number		43.000	\$ 632,479
Passed-through:			
Bigelow Lab for Ocean Science:			
NASA Awards with No CFDA Number		43.000	108,493
Sigma Space Corporation:			
NASA Awards with No CFDA Number		43.000	7,342
Monterey Bay Aquarium Res Inst:			
NASA Awards with No CFDA Number		43.000	2,297
Maine Space Grant Consortium:			
NASA Awards with No CFDA Number		43.000	928,702
Total CFDA Number 43.000			<u>1,679,313</u>
Aerospace Educational Services Program		43.001	626,490
Passed-through:			
Monterey Bay Aquarium Res Inst:			
Aerospace Educational Services Program	PO0710240	43.001	76,244
Total CFDA Number 43.001			<u>702,734</u>
Technology Transfer		43.002	31,259
Passed-through:			
Oregon State University:			
Technology Transfer		43.002	117,832
Total CFDA Number 43.002			<u>149,091</u>
Total National Aeronautics & Space Administration			<u>2,531,138</u>
U.S. National Science Foundation:			
National Science Foundation Awards with No CFDA Number		47.000	(3,613)
Engineering Grants		47.041	874,742
Passed-through:			
Mainely Sensors, LLC:			
Engineering Grants		47.041	(18,320)
Total CFDA Number 43.041			<u>856,422</u>
Mathematical and Physical Sciences		47.049	683,995
Passed-through:			
The John Hopkins University:			
Mathematical and Physical Sciences	956887	47.049	35,143
Penn State University:			
Mathematical and Physical Sciences	3748-UM-NSF-1328	47.049	15,278
Total CFDA Number 47.049			<u>734,416</u>
Geosciences		47.050	2,983,914
Passed-through:			
University of Connecticut:			
Geosciences		47.050	14,717
Gulf of Maine Research Institute:			
Geosciences		47.050	44,359
Woods Hole Oceanographic Institute:			
Geosciences		47.050	51,923
Stanford University:			
Geosciences		47.050	6,413
Total CFDA Number 47.050			<u>3,101,326</u>
Comp/Information Science and Engineering		47.070	623,399
Biological Sciences		47.074	866,813
Passed-through:			
The Research Foundation of CUNY:			
Biological Sciences	40046-00-01A	47.074	11,219
Regents of the University of California:			
Biological Sciences		47.074	21,541
University of Alabama:			
Biological Sciences		47.074	52,841
Total CFDA Number 47.074			<u>952,414</u>
Social, Behavioral & Economic Sciences		47.075	124,386
Passed-through:			
University of California:			
Social, Behavioral & Economic Sciences	KK9105	47.075	2,187
Total CFDA Number 47.075			<u>126,573</u>

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2010

Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Education and Human Resources		47.076	\$ 1,928,214
Passed-through:			
Maine Math & Science Alliance:			
Education and Human Resources		47.076	2,253
University of Wisconsin:			
Education and Human Resources		47.076	2,421
Puget Sound Center:			
Education and Human Resources		47.076	6,088
Total CFDA Number 47.076			<u>1,938,976</u>
Polar Programs		47.078	794,407
Passed-through:			
University of Kansas:			
Polar Programs	FY2005-111C	47.078	154,056
Louisiana State University:			
Polar Programs	33733	47.078	23,737
Total CFDA Number 47.078			<u>972,200</u>
International Science and Engineering (OISE)		47.079	4,512
Passed-through:			
U.S. Civilian Research and Development Foundation:			
International Science and Engineering (OISE)	AZB13124BA08	47.079	(795)
Total CFDA Number 47.079			<u>3,717</u>
Office of Experimental Program to Stimulate Competitive Research		47.081	2,364,703
ARRA Trans-NSF Recovery Act Research Support ARRA		47.082	563,779
Total National Science Foundation			<u>12,234,312</u>
U.S. Environmental Protection Agency:			
Passed-through:			
Maine Department of Environmental Protection:			
Beach Monitoring and Notification Program Implementation Grants		66.472	166,202
Envir. Protection – Consolidated Research		66.500	32,368
Science to Achieve Results (STAR) Research Program		66.509	60,254
Greater Research Opportunities (GRO) Fellowships For Undergraduate		66.513	6,305
STAR Fellowship Program		66.514	14,252
Passed-through:			
Maine Department of Environmental Protection:			
Performance Partnership Grants		66.605	45,401
Total Environmental Protection Agency			<u>324,782</u>
U.S. Department of Energy:			
Department of Energy Awards with No CFDA Number	DE-EE0000298	81.000	420,600
Passed-through:			
Maine Public Utilities:			
ARRA State Energy Program		81.041	47,193
Office of Science Financial Assistance Program		81.049	1,436,039
Passed-through:			
Penn State University:			
Office of Science Financial Assistance Program	03-CA-11242343-074	81.049	20,270
American Physical Society:			
Office of Science Financial Assistance Program		81.049	1,173
Total CFDA Number 81.049			<u>1,457,482</u>
Renewable Energy R&D		81.087	210,786
Passed-through:			
Red Shield Pulp & Chemicals:			
Renewable Energy R&D		81.087	572,944
ARRA Renewable Energy R&D		81.087	874,332
Total CFDA Number 81.087			<u>1,658,062</u>
Passed-through:			
Maine Public Utilities:			
Energy Efficiency and Renewable Energy Information Dissemination		81.117	18,773
Total Department of Energy			<u>3,602,110</u>

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 Schedule of Expenditures of Federal Awards  
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Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
U.S. Department of Education:			
Passed-through:			
WestEd:			
Fund for Improvement of Postsecondary Education		84.116	\$ 27,386
MSAD 55:			
Safe and Drug-Free Schools and Communities		84.184	37,745
Total Department of Education			<u>65,131</u>
U.S. Department of Health and Human Services:			
Passed-through:			
Maine Dept Health/Human Services:			
Department of Health and Human Services Awards with no CFDA Number		93.000	436,311
Maine Department of Corrections:			
Department of Health and Human Services Awards with no CFDA Number	G1005249	93.000	5,478
Total CFDA Number 93.000			<u>441,789</u>
Passed-through:			
University of New Hampshire:			
Maternal & Child Health Federal Consolidated Programs	PZ10037	93.110	123,939
Environmental Health		93.113	436,293
Applied Toxicological Research and Testing		93.114	460
Passed-through:			
Dartmouth College:			
NIEHS Superfund Hazardous Substances		93.143	2,563
Rural Health Research Centers		93.155	675,931
Passed-through:			
Federation of State Medical Boards:			
Telehealth Programs		93.211	9,513
Research on Healthcare Costs, Quality and Outcomes		93.226	8,911
Passed-through:			
University of Minnesota:			
State Rural Hospital Flexibility Program		93.241	291,888
Alcohol Research Programs		93.273	194,601
Drug Abuse and Addiction Research Programs		93.279	166,036
Passed-through:			
Miami University:			
Drug Abuse and Addiction Research Programs		93.279	(248)
Total CFDA Number 93.279			<u>165,788</u>
Passed-through:			
University of Medicine & Dentistry of New Jersey:			
Centers for Disease Control & Prev – Investigations & Technical Assistance	551789	93.283	38,257
National Center for Research Resources		93.389	(5,994)
Passed-through:			
Mt Desert Island Biological Lab:			
National Center for Research Resources		93.389	455,313
Total CFDA Number 93.389			<u>449,319</u>
Maine Medical Center:			
Cancer Detection and Diagnosis Research		93.394	23,840
Passamaquoddy Indian Township:			
Indian Self-Determination		93.441	13,868
Promoting Safe and Stable Families		93.556	662,253
Passed-through:			
Maine Department of Health and Human Services:			
Child Care & Development Block Grant		93.575	622,237
Family Connection Grants	CA-CF-10-527	93.605	389,394
Social Services Research and Demonstration		93.647	214,722
Adoption Opportunities		93.652	917,827
ARRA Trans-NIH Recovery Act Research Support		93.701	2,344
Passed-through:			
University of California:			
ARRA Trans-NIH Recovery Act Research Support		93.701	63,667
Total CFDA Number 93.701			<u>66,011</u>

**UNIVERSITY OF MAINE SYSTEM**  
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Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
ARRA Maine Dept of Health and Human Services: ARRA – State Grants to Promote Health Information Technology		93.719	\$ 1,603
Maine Department of Health and Human Services: Children’s Health Insurance Program		93.767	61,869
Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities		93.768	647,698
State Survey/Certification of Health Medical Assistance Program		93.777 93.778	30,157 1,206,851
Centers for Medicare and Medicaid Svcs (CMS) Research Medicaid Transformation Grants		93.779 93.793	1,027,201 433,107
Cardiovascular Diseases Research Digestive Diseases and Nutrition Research		93.837 93.848	864,802 17,288
Extramural Research Programs in the Neurosciences & Neurological Disorders Allergy Immunology & Transplantation Research		93.853 93.855	578 167,555
Biomedical Research and Research Training Child Health & Human Development Extramural Research		93.859 93.865	326,034 325,170
Aging Research		93.866	49,028
Total Department of Health and Human Services			<u>10,908,345</u>
U.S. Department of Homeland Security: Passed-through:			
Maine Secure Composites, LLC: Department of Homeland Security Awards With No CFDA		97.000	148,853
Total Department of Homeland Security			<u>148,853</u>
Agency for International Development: Agency for International Development Awards With No CFDA	621-A-00-09-00003-00	98.000	88,906
Total Agency for International Development			<u>88,906</u>
Total Research and Development Cluster			<u>51,873,379</u>
U.S. Department of Agriculture: Department of Agriculture Awards with No CFDA Number Grants for Agricultural Research Spec Research		10.000 10.200	2,596 (6)
Passed-through: Cornell University: Homeland Security-Agricultural Crop Insurance Education in Targeted States	54039-8583	10.304 10.458	36,354 224,488
Cooperative Extension Services		10.500	2,998,226
Passed-through: University of Vermont: Cooperative Extension Services Kansas State University: Cooperative Extension Services University of Delaware: Cooperative Extension Services		10.500 10.500 10.500	113,610 119,043 7,400
Total CFDA Number 10.500			<u>3,238,279</u>
Passed-through: Maine Department of Health and Human Services: Special Supplemental Nutrition Program for Women, Infants and Children		10.557	40,242
Passed-through: Maine Department of Education: Team Nutrition Maine Department of Health and Human Services: WIC Grants To States (WGS) The Research Foundation of SUNY: Forestry Research	01305A714105/01305AZ07805	10.574 10.578 10.652	92,174 88,657 11,381
Total U.S. Department of Agriculture			<u>3,734,165</u>
U.S. Department of Commerce: Sea Grant Support		11.417	62,785
Passed-through: Maine State Planning Office: Coastal Zone Management Admin Awards		11.419	6,614
Passed-through: Acadia Partners: Congressionally Identified Awards and Projects Gulf of Maine Research Institute: Congressionally Identified Awards and Projects		11.469 11.469	47,090 12,988
Total CFDA Number 11.469			<u>60,078</u>



**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
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Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Maine Department of Marine Resources: Unallied Science Program		11.472	\$ 5,000
Woods Hole Oceanographic Institute: Coastal Services Center		11.473	609,023
Total Department of Commerce			<u>743,500</u>
U.S. Department of Defense: Department of Defense Awards with No CFDA Number		12.000	219,714
Total Department of Defense			<u>219,714</u>
U.S. Department of Housing and Urban Development: Passed-through:			
MaineHousing: Housing Counseling Assistance Program		14.169	4,804
Community Outreach Partnership Center Program		14.511	(4)
Total Department of Housing and Urban Development			<u>4,800</u>
U.S. Department of the Interior: Passed-through:			
Acadia Partners: Department of the Interior Awards with No CFDA Number		15.000	(833)
Assistance to States-Water Resource Research		15.805	13,755
Passed-through:			
Maine Department of Admin & Financial Services: U.S. Geological Survey-Research & Data Collection		15.808	7,443
Total Department of the Interior			<u>20,365</u>
U.S. Department of Justice: Department of Justice Awards With No CFDA Number		16.000	139,755
Passed-through:			
Maine Dept of Public Safety: Department of Justice Awards With No CFDA Number		16.000	9,080
Total CFDA Number 16.000			<u>148,835</u>
Grants to Reduce Violent Crimes Against Women on Campus		16.525	37,621
O V W Technical Assistance Initiative		16.526	1,843,136
Passed-through:			
Maine Department of Corrections: Juvenile Justice & Delinquency Prevention		16.540	119,929
State Justice Statistic Prog for Statistic Analysis Ctrs		16.550	43,528
Maine Department of Health and Human Services: Crime Victim Assistance/Discretionary Grants	CA-CF-08-361	16.575	118,801
Maine Department of Corrections: Edward Byrne Memorial Formula Grant Program		16.579	53,622
Corrections Res and Eval and Policy Formulation		16.602	31,478
Passed-through:			
Maine Department of Health and Human Services: Enforcing Underage Drinking Laws		16.727	3,054
Maine Association of Substance Abuse Programs: Enforcing Underage Drinking Laws		16.727	22,782
Total CFDA Number 16.727			<u>25,836</u>
Lincoln-Sagadahoc Multi-County Jail Authority: ARRA Recovery Act – Assistance to Rural Law Enforcement to Combat Crime & Drugs		16.810	20,417
Total U.S. Department of Justice			<u>2,443,203</u>
U.S. Department of Labor: U.S. Department of Labor Awards with No CFDA Number		17.000	2,687
WIA Pilots, Demonstrations, and Research Projects		17.261	180,438
Passed-through:			
Maine Department of Labor: WIA Pilots, Demonstrations, and Research Projects		17.261	114,465
Maine Technology Institute: WIA Pilots, Demonstrations, and Research Projects		17.261	168,412
Total CFDA Number 17.261			<u>463,315</u>

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Expenditures of Federal Awards  
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Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Maine Economic/Community Development:			
H-1B Job Training Grants		17.268	\$ 4,336
Coastal Counties Workforce, Inc:			
H-1B Job Training Grants		17.268	43,915
Total CFDA Number 16.727			48,251
Total U.S. Department of Labor			514,253
U.S. Department of State:			
Passed-through:			
Institute of International Education:			
Academic Exchange Programs – Scholars		19.401	22,578
Total Institute of International Education			22,578
U.S. Department of Transportation:			
Passed-through:			
Maine Department of Transportation:			
Maine Department of Transportation with No CFDA Number		20.000	31,743
Total U.S. Department of Transportation			31,743
U.S. NASA:			
Passed-through:			
The Johns Hopkins University:			
NASA Awards with No CFDA Number		43.000	4,289
Maine Space Grant Consortium:			
NASA Awards with no CFDA Number		43.000	64,940
University of New Hampshire:			
NASA Awards with No CFDA Number		43.000	24,782
Museum of Science:			
NASA Awards with no CFDA Number		43.000	3,896
Total CFDA Number 43.000			97,907
Aerospace Educational Services Program		43.001	167,384
Total NASA			265,291
National Endowment for the Humanities:			
Promotion of Humanities-Preservation/Access		45.149	7,510
Total National Endowment for the Arts			7,510
U.S. National Science Foundation:			
Passed-through:			
Puget Sound Center:			
National Science Foundation Awards with No CFDA Number		47.000	1,000
Geosciences		47.050	111,230
Passed-through:			
Bigelow Lab for Ocean Science:			
Geosciences		47.050	22,606
Total CFDA Number 47.050			133,836
University of Washington:			
Comp/Information Science & Engineering		47.070	12,274
Education and Human Resources		47.076	1,546,636
Passed-through:			
Puget Sound Center:			
Education and Human Resources		47.076	2,638
One World Artisans:			
Education and Human Resources		47.076	3,471
University of Massachusetts:			
Education and Human Resources		47.076	66,628
Total CFDA Number 47.076			1,619,373
ARRA Trans-NSF Recovery Act Research Support		47.082	82,394
Total National Science Foundation			1,848,877
U.S. Small Business Administration:			
Small Business Administration Awards with No CFDA Number	SBAHQ-08-I-0088	59.000	95,897
Small Business Development Centers		59.037	734,062
Prime Technical Assistance		59.050	62,875
Total Small Business Administration			892,834

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Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
U.S. Department of Veterans Affairs: All-Volunteer Force Educational Assistance		64.124	\$ 178,201
Total Department of Veterans Affairs			<u>178,201</u>
U.S. Environmental Protection Agency: Environmental Finance Center Grants		66.203	282,531
Surveys, Studies, Investigations, Demonstrations, and Training Grants		66.424	27,153
Passed-through:			
Maine Department of Health and Human Services: State Public Water System Supervision	CA-DC-09-353	66.432	3,897
Targeted Watershed Grants		66.439	4,584
National Estuary Program		66.456	645,261
Passed-through:			
Maine Department of Environmental Protection Agency: Performance Partnership Grants		66.605	12,158
Protection of Children and Older Adults for Environmental Health Risks		66.609	101,798
Total Environmental Protection Agency			<u>1,077,382</u>
U.S. Department of Energy: Passed-through:			
Maine Public Utilities Commission: ARRA State Energy Program		81.119	7,678
GE Global Research: ARRA Renewable Energy R&D		81.087	2,856
Total U.S. Department of Energy			<u>10,534</u>
U.S. Department of Education: Passed-through:			
Maine Department of Education: Department of Education Awards with No CFDA Number	01305A715512	84.000	464,256
National Resource Centers Program for Foreign Language		84.015	366,028
Passed-through:			
Maine Department of Education: Career and Technical Education – Basic Grants to States		84.048	40,096
Fund for Improvement of Postsecondary Education		84.116	299,999
Safe and Drug-Free Schools and Communities		84.184	28,494
Bilingual Education-Professional Development		84.195	350,244
Fund for the Improvement of Education		84.215	54,071
Passed-through:			
Maine Department of Education: Assistive Technology	01305A632237	84.224	537,728
Twenty-First Century Community Learning Centers	01305A305467	84.287	120,678
Special Education-State Program Improvement Grants	01305A632914/01305A113911	84.323	359,260
Special Education – Personnel Development to Improve Services		84.325	290,800
Passed-through:			
Maine Department of Education: Advanced Placement Program	01305A510562/01305A511062	84.330	168,124
Gaining Early Awareness & Readiness – Undergrad Prog		84.334	323,189
Passed-through:			
RTI International: Gaining Early Awareness & Readiness – Undergrad Prog		84.334	18,621
Total CFDA Number 84.334			<u>341,810</u>
Passed-through:			
Maine Department of Education: Reading First State Grants	01305A110013	84.357	46,828
Early Reading First		84.359	1,454,426
Passed-through:			
Waldo County Preschool & Family Services: Early Reading First		84.359	16,166
Total CFDA Number 84.359			<u>1,470,592</u>
Maine Math & Science Alliance: Mathematics & Science Partnerships		84.366	7,052
Maine Department of Education: Mathematics & Science Partnerships	01305A114322	84.366	69,819
Total CFDA Number 84.366			<u>76,871</u>

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Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Maine Department of Education:			
Improving Teacher Quality State Grants	01305A113911	84.367	\$ 466,769
SAD 43:			
Improving Teacher Quality State Grants		84.367	12,393
Total CFDA Number 84.367			<u>479,162</u>
Passed-through:			
University of California:			
National Writing Project		84.928	88,939
National Writing Project Corporation:			
National Writing Project		84.928	19
Total CFDA Number 84.928			<u>88,958</u>
Total Department of Education			<u>5,583,999</u>
U.S. Department of Health and Human Services:			
Department of Health and Human Services Awards With No CFDA Number		93.000	8,134
Passed-through:			
Maine Department of Health and Human Svcs:			
Department of Health and Human Services Awards With No CFDA Number		93.000	86,774
L&M Policy Research, LLC:			
Department of Health and Human Services Awards With No CFDA Number		93.000	23,227
Maine Medical Center:			
Department of Health and Human Services Awards With No CFDA Number		93.000	43,594
National Association of Medical Examiners:			
Department of Health and Human Services Awards With No CFDA Number		93.000	41,344
Ascillon Corporation:			
Department of Health and Human Services Awards With No CFDA Number		93.000	49,151
Total CFDA Number 93.000			<u>252,224</u>
Passed-through:			
Maine Department of Health and Human Services:			
State and Territorial and Technical Assistance Capacity Dev		93.006	12,938
Special Programs for the Aging – Title IV and Title II		93.048	10,605
Demonstration Grants-Alzheimers Disease		93.051	83,228
Public Health Emergency Preparedness		93.069	714,203
Lifespan Respite Care Program		93.072	14,038
Maternal & Child Health Federal Consolidated Programs		93.110	195,123
Injury Prevention and Control Research and State and Community		93.136	50,774
Childhood Lead Poisoning Prevention Projects		93.197	87,544
Federation of State Med Boards:			
Telehealth Programs		93.211	1,850
Maine Department of Health and Human Services:			
Grants for Dental Public Health Residency Training		93.236	39,084
State Rural Hospital Flexibility Program		93.241	160,138
Mental Health Research Grants		93.242	273,102
Substance Abuse & Mental Hlth Svcs-Projects of Reg & National Significance		93.243	119,508
Passed-through:			
Sunrise Opportunities:			
Substance Abuse & Mental Hlth Svcs-Projects of Reg & National Significance		93.243	45,914
Maine Department of Health and Human Services:			
Substance Abuse & Mental Hlth Svcs-Projects of Reg & National Significance		93.243	98,190
Total CFDA Number 93.243			<u>263,612</u>
Universal Newborn Hearing Screening		93.251	81,157
Governor's Office of Health Policy and Finance:			
State Health Access Program		93.256	28,448
Mary Imogene Bassett Hospital:			
Occupational Safety & Health Program		93.262	7,618
Maine Department of Health and Human Services:			
Centers for Disease Control & Prev – Investigations & Technical Assistance		93.283	975,310
Advanced Education Nursing Traineeships		93.358	(443)
National Center for Research Resources		93.389	291,767
Passed-through:			
Mount Desert Island Biological Laboratory:			
National Center for Research Resources	5P20RR016463-09/UMHC	93.389	99,419
Total CFDA Number 93.389			<u>391,186</u>

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Federal grantor/pass-through grantor/program title	Pass-through number	Federal CFDA number	Federal expenditures
Maine Department of Health and Human Services:			
Child Support Enforcement	CA-IA-10-313	93.563	\$ 666,920
Community-Based Child Abuse Prevention Grants	CA-CF-10-528	93.590	298
Domestic Abuse Intervention Programs, Inc:		93.592	96,431
Family Violence Prevention and Services		93.632	529,673
University Centers for Excellence in Developmental Disabilities			
Passed-through:			
Maine Department of Health and Human Services:			
Children's Justice Grants to States		93.643	90,705
The Research Foundation of SUNY:			
Child Welfare Research Training or Demonstration		93.648	445,855
Adoption Opportunities		93.652	745,082
Passed-through:			
Colorado Department of Human Services:			
Foster Care – Title IV(E)	97-IHA-01452	93.658	(25,268)
Maine Department of Health and Human Services:			
Foster Care – Title IV(E)		93.658	1,972,741
Total CFDA Number 93.658			<u>1,947,473</u>
Maine Department of Health and Human Services:			
Adoption Assistance		93.659	433,890
Colorado Department of Human Services:			
Social Services Block Grant	10 IHA 00025	93.667	1,707,149
ARRA Trans-NIH Recovery Act Research Support		93.701	115,007
Passed-through:			
Human Services Research Institute:			
Centers for Medicare and Medicaid Svcs (CMS) Research		93.779	40,897
State of Louisiana Dept of Health and Hospitals:			
Centers for Medicare and Medicaid Svcs (CMS) Research		93.779	899
Maine Department of Health and Human Services:			
Centers for Medicare and Medicaid Svcs (CMS) Research		93.779	1,326,562
Total CFDA Number 93.779			<u>1,368,358</u>
Block Grants for Community Mental Health Services		93.958	215,784
Total Department of Health and Human Services			<u>12,004,364</u>
U.S. Corp. for National and Community Service:			
Retired and Senior Volunteer Program		94.002	118,938
Passed-through:			
Maine Campus Compact:			
Learn & Serve America-Higher Education		94.005	58
North Carolina Campus Compact:			
Program Development and Innovation Grants		94.007	750
Maine State Planning Office:			
Planning and Program Development Grants		94.007	524,712
Total CFDA Number 94.007			<u>525,462</u>
Total Corp. for National and Community Service			<u>644,458</u>
Agency for International Development:			
Passed-through:			
Higher Education for Development:			
USAID Development Partnerships for Univ Cooperation and Development		98.012	38,207
Total Agency for International Development			<u>38,207</u>
Total Federal Expenditures			<u>\$ 302,488,069</u>

UNIVERSITY OF MAINE SYSTEM

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2010

(1) **Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the University of Maine System (the System) and is presented on the accrual basis of accounting. The System is the subrecipient of federal funds, primarily from the State of Maine, which are separately identified and reported as expenditures and listed as federal pass-through funds on the schedule. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Certain federal grants and contracts have been over-expended in prior years and are reflected by negative expenditures in the accompanying schedule of expenditures of federal awards. All over-expenditures on federal grants and contracts are funded by the System and the negative amount represents the transfer of expenditures to the System to effectively close the grant or contract.

This report includes the seven campuses of the System and the administrative and management offices of the System (System-Wide Services). The seven campuses and their respective federal identification numbers are as follows:

University of Maine at Augusta (UMA)	1-01-600-0769-A3
University of Maine at Farmington (UMF)	1-01-600-0769-B1
University of Maine at Fort Kent (UMFK)	1-01-600-0769-A5
University of Maine at Machias (UMM)	1-01-600-0769-A9
University of Maine (UM)	1-01-600-0769-A2
University of Maine at Presque Isle (UMPI)	1-01-600-0769-A6
University of Southern Maine (USM)	1-01-600-0769-A8

(2) **Loans Outstanding**

The System had the following loan balances outstanding at June 30, 2010:

Cluster/program title	Federal CFDA number	Amount outstanding
Perkins Loan Program	84.038	\$ 30,452,770
Nursing Loan Program	93.364	1,563,100

Loan balances receivable under the Federal Family Education Loan Program and the William D. Ford Direct Loan Program are not available.

(3) **Subrecipient Expenditures**

Certain funds are passed through to sub-grantee organizations by the System. Expenditures incurred by the sub-grantees and reimbursed by the System are included in the schedule of expenditures of federal awards. It is not practicable to report the amounts of expenditures passed through to each sub-grantee for purposes of this report. In fiscal 2010, subrecipient expenditures totaled \$4,557,137.

## UNIVERSITY OF MAINE SYSTEM

## Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2010

**(4) Indirect Costs**

The System has predetermined Facilities and Administrative (F&A) rates that are effective through June 30, 2010. The base rate for on-campus research was 49.0% in fiscal 2010 and increasing to 49.5% in fiscal 2011. The base rates for other F&A cost recoveries range from 16.7% to 52.8% for fiscal 2010 – 2011.

**(5) Expenditures of Federal Awards Summarized by Agency**

The following table summarizes the expenditures of federal awards by agency for the fiscal year ended June 30, 2010:

Agency	CFDA	Direct funding	Passed-through funding	Total
Department of Agriculture	10xxx	\$ 9,300,412	4,752,489	14,052,901
Department of Commerce	11xxx	3,497,965	2,385,479	5,883,444
Department of Defense	12xxx	5,724,850	2,154,467	7,879,317
Department of Housing & Urban Development	14xxx	(4)	4,838	4,834
Department of the Interior	15xxx	605,549	193,902	799,451
Department of Justice	16xxx	2,053,465	659,708	2,713,173
Department of Labor	17xxx	183,125	1,043,875	1,227,000
Department of State	19xxx	—	22,578	22,578
Department of Transportation	20xxx	337,009	382,551	719,560
National Aeronautics & Space Administration	43xxx	1,457,612	1,338,817	2,796,429
National Endowment for the Humanities	451xx	7,510	—	7,510
National Science Foundation	47xxx	13,549,511	533,678	14,083,189
Small Business Administration	59xxx	892,834	—	892,834
Department of Veterans Affairs	64xxx	178,201	—	178,201
Environmental Protection Agency	66xxx	1,174,506	227,658	1,402,164
Department of Energy	81xxx	2,067,425	1,545,219	3,612,644
Department of Education	84xxx	208,756,229*	10,126,484	218,882,713
Department of Health & Human Services	93xxx	7,093,236**	18,819,960	25,913,196
Corporation for National & Community Service	94xxx	423,100	525,520	948,620
Department of Homeland Security	97xxx	—	341,198	341,198
Agency for International Development	98xxx	88,906	38,207	127,113
Total federal assistance		\$ 257,391,441	45,096,628	302,488,069

\* Includes \$199,935,581 for Student Financial Aid

\*\* Includes \$260,669 for Student Financial Aid

**UNIVERSITY OF MAINE SYSTEM**  
 Schedule of Findings and Questioned Costs  
 June 30, 2010

**(1) Summary of Auditors' Results**

***Financial Statements***

Type of auditors' report issued	Unqualified	
Internal control over financial reporting:		
• Material weakness(es) identified	_____ yes	<u>  x  </u> no
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____ yes	<u>  x  </u> none reported
Noncompliance material to financial statements noted?	_____ yes	<u>  x  </u> no

***Federal Awards***

Internal control over major programs:		
• Material weakness(es) identified	_____ yes	<u>  x  </u> no
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	<u>  x  </u> yes	_____ none reported
Type of auditors' report issued on compliance for major programs	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	<u>  x  </u> yes	_____ no

• Major programs:

<u>Program name</u>	<u>CFDA number(s)</u>
R&D Cluster	Various
Cooperative Extension Services	10.500
ARRA – State Fiscal Stabilization Fund	84.394
Childcare Development Fund Cluster	93.575; 93.596; 93.713
Student Financial Aid Cluster	84.007, 84.032, 84.033, 84.038, 84.063, 84.268, 84.375, 84.376 and 93.364

• Dollar threshold used to distinguish between Type A and Type B programs, as those terms are defined in OMB Circular A-133	\$3,000,000
Auditee qualifies as a low risk auditee?	Yes



**UNIVERSITY OF MAINE SYSTEM**  
Schedule of Findings and Questioned Costs  
June 30, 2010

**(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards***

None.

## UNIVERSITY OF MAINE SYSTEM

## Schedule of Findings and Questioned Costs

June 30, 2010

**(3) Findings and Questioned Costs Relating to Federal Awards**

<b>Finding number:</b>	2010-01
<b>Federal agencies:</b>	U.S. Department of Commerce; National Science Foundation; U.S. Department of Energy; U.S. Department of Health and Human Services
<b>Pass-through agencies:</b>	N/A – Direct Funding
<b>Programs:</b>	Research and Development (R&D) Cluster Education and Human Resources Substance Abuse & Mental Health Services
<b>CFDA #'s:</b>	R&D: 11.417; 47.041; 47.050; 47.075; 47.082; 81.087 Non R&D: 47.076; 93.243
<b>Award number's:</b>	Various
<b>Award year's:</b>	Various
<b>Finding:</b>	Overbilling of Indirect Costs through Cost Sharing

***Criteria***

OMB Circular A-21 (A-21) establishes principles for determining the costs applicable to research and development and other sponsored work performed by educational institutions under grants with the Federal Government. At educational institutions, indirect costs are accounted for through Facilities and Administrative (F&A) Cost Proposals.

Further, educational institutions may be required to share in the cost of research on an individual award basis. Individual awards specify matching requirements, which can include sharing in overall costs or sharing only in indirect costs.

***Condition***

During our testing of indirect cost sharing, we noted 2 of 32 (6%) projects tested that overbilled F&A costs to the Federal Government as of the transaction date, March 31, 2010. In these particular instances, as of a point in time, March 31, 2010, the System had overbilled the Federal Government for \$17,653 in indirect costs for the two projects tested.

Upon discovery of this issue, the System determined the extent to which this issue affects all sponsored programs as of June 30, 2010. The System analyzed over 1,000 federal projects and determined that they overbilled 16 projects as of June 30, 2010 for a total of \$55,635.

## UNIVERSITY OF MAINE SYSTEM

## Schedule of Findings and Questioned Costs

June 30, 2010

**Cause**

The System utilizes its general ledger to assist in the calculation and application of sharing in sponsored programs F&A costs. The general ledger will automatically calculate F&A cost sharing. Upon investigation, it appears that this automatic calculation can result in an overbilling if direct sponsor costs are incurred disproportionately as compared to direct System costs for an individual project. This overbilling will remain until such time that the proportion of direct sponsor and System direct costs come in line.

**Effect**

Although F&A costs can be overbilled as of a point-in-time during the project life, the System believes that at the completion of a project, all cost sharing is settled and the project sponsor is not ultimately overbilled and has committed to reviewing procedures to ensure this is the case. The 16 projects that had overbilled \$55,635 as of June 30, 2010, had decreased that overbilling to \$8,262 as of January 31, 2011.

**Questioned Costs**

The following table details the programs that had an overbilling as of June 30, 2010. We are questioning those costs:

<b>CFDA #</b>	<b>Campus</b>	<b>R&amp;D</b>	<b>Non-R&amp;D</b>	<b>Total</b>
11.417	UM	\$ 21,077	—	21,077
47.041	UM	14,590	—	14,590
47.050	UM/USM	5,720	—	5,720
47.075	USM	5,487	—	5,487
47.076	USM	—	208	208
47.082	USM	3,863	—	3,863
81.087	UM	3,445	—	3,445
93.243	UM	—	1,245	1,245
Total		\$ 54,182	1,453	55,635

Questioned costs related to the University of Maine (UM) totaled \$43,452 while the University of Southern Maine (USM) totaled \$12,183.

**Recommendation**

We recommend that the System re-visit the way in which indirect cost sharing is calculated and applied to individual projects. It is probably most efficient to continue using the automated process, however, until such time that process is fixed, the System should develop a manual process to periodically analyze projects and correct for any overbillings.

**Corrective Action Plan**

See management's corrective action plan at Exhibit IV.

UNIVERSITY OF MAINE SYSTEM

Management's Corrective Action Plan – Current Year Findings

June 30, 2010

**Reference Number:** 2010-01

**Federal agencies:** U.S. Department of Commerce;  
National Science Foundation;  
U.S. Department of Energy;  
U.S. Department of Health and Human Services

**Programs:** Research and Development (R&D) Cluster  
Education and Human Resources  
Substance Abuse & Mental Health Services

**CFDA #'s:** R&D: 11.417; 47.050; 47.075; 47.082; 81.087  
Non R&D: 47.076; 93.243

**Finding:** Overbilling of Indirect Costs through Cost Sharing

**Corrective Action Plan:**

The University is reviewing and modifying its automated process for calculating indirect cost sharing and charging it to individual projects in our general ledger system. We expect to have a new process in place before June 30, 2011. This new process can easily be applied to all new grants received after the implementation date. Applying the new process to open grant projects as of the date of implementation would require that each individual project in the general ledger be manually converted. Given the complexity and enormity of such a task, to ensure the integrity of data and an expeditious transition to a new methodology, we will implement for new grant awards first and then work through existing awards.

**Contact Person:**

Tracy Elliott, System Controller