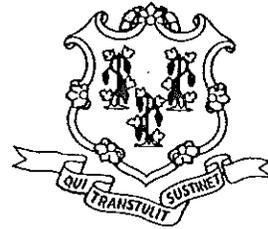


EXHIBIT D

State of Connecticut
Single Audit Report
For The Year Ended June 30, 2007



Auditors of Public Accounts
Hartford, Connecticut

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES
Special Education-Personnel Development to Improve Services and Results for Children with Disabilities	84.325	207,084
Advanced Placement Program	84.330	864,654
Grants to States for Incarcerated Youth Offenders	84.331	330,057
Comprehensive School Reform Demonstration	84.332	1,173,949
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	3,257,757
Teacher Quality Enhancement Grants	84.336	5,416
Assistive Technology_State Grants for Protection and Advocacy	84.343	56,165
Vocational Education-Occupational and Employment Information State Grants	84.346	102
Early Childhood Educator Professional Development	84.349	45,221
Transition to Teaching	84.350	814
Tech-Prep Demonstration Grants	84.353	199,900
Reading First State Grants	84.357	6,818,948
English Language Acquisition Grants	84.365	5,644,966
Mathematics and Science Partnerships	84.366	1,744,559
Improving Teacher Quality State Grants	84.367	26,884,554
Grants for State Assessments and Related Activities	84.369	7,436,874
Statewide Data Systems	84.372	15,655
Hurricane Education Recovery	84.938	212,000
Total Department of Education (See Also Student Financial Assistance Cluster)		355,916,752
Elections Assistance Commission		
Help America Vote Act Requirement Payments	90.401	15,653,500
Department of Health and Human Services		
Medicaid Cluster:		
State Medicaid Fraud Control Units	93.775	669,702
State Survey and Certification of Health Care Providers and Suppliers	93.777	8,642,532
Medical Assistance Program	93.778	2,189,676,957
Total Medicaid Cluster		2,198,989,191
Child Care Cluster:		
Child Care and Development Block Grant	93.575	14,189,057
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	38,233,551
Total Child Care Cluster		52,422,608
Aging Cluster:		
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	3,755,476
Special Programs for the Aging-Title III, Part C-Nutrition Services	93.045	5,951,554
Nutrition Services Incentive Program	93.053	1,373,826
Total Aging Cluster		11,080,856
Miscellaneous Programs	93.000	341,408
Public Health and Social Services Emergency Fund	93.003	107,018
Special Programs for the Aging-Title VII, Chapter 3-Prevention of Elder Abuse, Neglect and Exploit.	93.041	50,797
Special Programs for the Aging-Title III Part D-Disease Prevention and Health Promotion Services	93.043	226,960
Special Programs for the Aging-Title IV-and Title II-Discretionary Projects	93.048	154,229
Alzheimer's Disease Demonstration Grants to States	93.051	276,277
National Family Caregiver Support, Title III, Part E	93.052	1,714,071
Laboratory Training, Evaluation, and Quality Assurance Programs	93.064	285,881
Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	701,003
Comprehensive Community Mental Health Services for Children with Serious Emotional Dist.	93.104	3,086,234
Maternal and Child Health Federal Consolidated Programs	93.110	354,044
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	758,347
Nurse Anesthetist Traineeships	93.124	6,460
Emergency Medical Services for Children	93.127	94,161
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130	226,134
Injury Prevention and Control Research and State and Community Based Programs	93.136	694,443
Protection and Advocacy for Individuals with Mental Illness	93.138	437,523
Projects for Assistance in Transition from Homelessness (PATH)	93.150	699,035

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL	
	CFDA NUMBER	EXPENDITURES
Grants to States for Loan Repayment Program	93.165	139,447
Research Related to Deafness and Communication Disorders	93.173	141,490
Childhood Lead Poisoning Prevention Projects and Surveillance of Blood Levels in Children	93.197	876,826
Consolidated Knowledge Development and Application (KD&A) Program	93.230	831,731
Traumatic Brain Injury State Demonstration Grant Program	93.234	200,000
Abstinence Education Program	93.235	116,847
Cooperative Agreements for State Treatment Outcomes and Performance Pilot Studies Enhancement	93.238	110,332
State Capacity Building	93.240	407,030
Mental Health Research Grants (See Note 12)	93.242	1,584,086
Substance Abuse and Mental Health Services-Projects of Regional and National Significance	93.243	6,909,178
Universal Newborn Hearing Screening	93.251	144,475
State Planning Grant-Health Care Access for the Uninsured	93.256	440,601
Rural Access to Emergency Devices Grant	93.259	11,690
Occupational Safety and Health Program	93.262	16,583
Occupational Safety and Health Training Grants	93.263	1,622
State Grants for Protection and Advocacy Services	93.267	59,840
Immunization Grants (See Note 3)	93.268	19,851,560
Alcohol Research Programs (See Note 12)	93.273	7,617
Substance Abuse and Mental Health Services-Access to Recovery	93.275	9,174,649
Drug Abuse National Research Service Awards for Research Training	93.278	18,111
Drug Abuse and Addiction Research Programs	93.279	1,027,264
Mental Health National Research Service Awards for Research Training	93.282	23,214
Centers for Disease Control and Prevention-Investigations and Technical Assistance (See Note 3 and Note 11)	93.283	19,482,933
Advanced Education Nursing Traineeships	93.358	42,700
Nurse Education, Practice and Retention Grants	93.359	74,996
Food Safety and Security Monitoring Project	93.448	175,633
Promoting Safe and Stable Families	93.556	2,694,174
Temporary Assistance for Needy Families	93.558	239,148,860
Child Support Enforcement (See Note 10)	93.563	50,395,720
Refugee and Entrant Assistance-State Administered Programs	93.566	915,456
Low-Income Home Energy Assistance	93.568	60,220,976
Community Services Block Grant	93.569	7,541,131
Refugee and Entrant Assistance-Discretionary Grants	93.576	388,181
State Court Improvement Program	93.586	194,231
Community-Based Child Abuse Prevention Grants	93.590	550,212
Grants to States for Access and Visitation Programs	93.597	69,057
Chafee Education and Training Vouchers Program (ETV)	93.599	571,488
Head Start	93.600	252,871
Child Support Enforcement Demonstrations and Special Projects	93.601	17,316
Adoption Incentive Payments	93.603	163,160
Voting Access for Individuals with Disabilities-Grants to States	93.617	11,367
Voting Access for Individuals with Disabilities-Grants for Protect and Advocacy Systems	93.618	44,301
Developmental Disabilities Basic Support and Advocacy Grants	93.630	1,212,654
Children's Justice Grants to States	93.643	262,275
Child Welfare Services-State Grants	93.645	2,276,633
Adoption Opportunities	93.652	420,045
Foster Care-Title IV-E	93.658	96,112,021
Adoption Assistance	93.659	22,835,188
Social Services Block Grant	93.667	45,566,730
Child Abuse and Neglect State Grants (See Note 12)	93.669	255,135
Family Violence Prevention and Services/Grants for Battered Woman's Shelters Grants States, Ind. Tribes	93.671	797,676
Chafee Foster Care Independence Program	93.674	1,514,533
State Children's Insurance Program	93.767	23,219,858
Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities	93.768	2,164,790
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	801,926
State Pharmaceutical Assistance Program	93.786	867,373
Health Careers Opportunity Program	93.822	157,618
Allergy, Immunology and Transplantation Research	93.855	129,264
Microbiology and Infections Diseases Research	93.856	56,105
Biomedical Research and Research Training	93.859	13,348

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES
Child Health and Human Development Extramural Research	93.865	15,439
Health Care and Other Facilities	93.887	25,381
National Bioterrorism Hospital Preparedness Programs	93.889	7,018,266
Alcohol Research Center Grants	93.891	93,200
Rural Health Care Services Outreach and Rural Health Network Dev. Program	93.912	57,887
Grants to States for Operation of Offices of Rural Health	93.913	122,387
HIV Care Formula Grants (See Note 11)	93.917	19,212,904
Cooperative Agreements to Support School Health Educ. to Prevent AIDS	93.938	270,025
HIV Prevention Activities-Health Department Based	93.940	5,980,924
Research, Treatment and Education Programs on Lyme Disease in the United States	93.942	646,742
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	1,321,067
Assistance Programs for Chronic Disease Prevention and Control	93.945	423,064
Block Grants for Community Mental Health Services	93.958	4,534,672
Block Grants for Prevention and Treatment of Substance Abuse	93.959	16,207,921
Geriatric Education Centers (See Note 12)	93.969	(791)
Preventive Health Services-Sexually Transmitted Diseases Control Grants (See Note 3)	93.977	1,000,883
Cooperative Agreements for State-Based Diabetes Control Programs (See Note 3)	93.988	522,328
Preventive Health and Health Services Block Grant	93.991	1,367,856
Maternal and Child Health Services Block Grant to the States	93.994	4,133,965
Total Department of Health and Human Services (See Student Financial Assistance Cluster)		2,959,372,928
Corporation for National and Community Service		
State Commissions	94.003	192,230
Learn and Serve America-School and Community Based Programs	94.004	149,780
AmeriCorps	94.006	1,433,466
Planning and Program Development Grants	94.007	15,632
Training and Technical Assistance	94.009	97,637
Total Corporation for National and Community Service		1,888,745
Social Security Administration		
Miscellaneous Programs	96.000	350,782
Social Security-Disability Insurance	96.001	17,838,510
Social Security-Work Incentives Planning and Assistance Program	96.008	260,264
Total Social Security Administration		18,449,556
Department of Homeland Security		
Homeland Security Cluster:		
State Domestic Preparedness Equipment Support Program	97.004	15,941,141
Homeland Security Grant Program	97.067	6,170,923
Total Homeland Security Cluster		22,112,064
Miscellaneous	97.000	428,905
Urban Areas Security Initiative	97.008	4,534,459
Boating Safety Financial Assistance	97.012	851,415
Pre-Disaster Mitigation (PDM) Competitive Grants	97.017	46,075
Community Assistance Program-State Support Services Element (CAP-SSSE)	97.023	272,720
Flood Mitigation Assistance	97.029	12,198

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	7,337,003
National Dam Safety Program	97.041	21,914
Emergency Management Performance Grants	97.042	2,427,859
Assistance to Firefighters Grant	97.044	7,834
Pre-Disaster Mitigation	97.047	51,864
Law Enforcement Terrorism Prevention Program (LETPP)	97.074	26,760
Buffer Zone Protection Plan (BZPP)	97.078	315,988
Total Department of Homeland Security		38,447,058
United States Agency For International Development		
USAID Development Partnership for University Cooperation and Development (See Note 12)	98.012	78,848
Miscellaneous Programs		
Other Federal Assistance	99.125	230,593
Oil Company Overcharge Recoveries	99.136	211,936
STUDENT FINANCIAL ASSISTANCE CLUSTER:		
Department of Education		
Federal Supplemental Educational Opportunity Grants	84.007	2,413,282
Federal Family Education Loans (See Note 6)	84.032	184,654,518
Federal Work-Study Program	84.033	3,122,753
Federal Perkins Loan Program-Federal Capital Contributions (See Note 4)	84.038	26,303,404
Federal Pell Grant Program	84.063	46,539,195
Federal Direct Student Loans	84.268	29,910,157
Academic Competitiveness Grants	84.375	739,211
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376	491,104
Total Department of Education Student Financial Assistance		294,173,624
Department of Health and Human Services		
Health Professions Student Loans, Including Primary Care Loans / Loans for Disadvantaged Students (See Note 5)	93.342	1,398,344
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER		295,571,968
TOTAL NON RESEARCH AND DEVELOPMENT GRANTS		5,447,398,887
RESEARCH AND DEVELOPMENT CLUSTER:		
UNIVERSITY OF CONNECTICUT RESEARCH GRANTS (SEE NOTE 2 AND NOTE 12)		
Department of Agriculture		
Agricultural Research Service	10.RD	1,797,957
Animal and Plant Health Inspection Service	10.RD	36,056
Cooperative State Research, Education and Extension Service	10.RD	3,240,780
Food and Nutrition Services	10.RD	199,436
Foreign Agriculture Services	10.RD	3,390
Forest Service	10.RD	106,353
Natural Resource Conversation Service	10.RD	111,629
Miscellaneous Programs	10.RD	169,119
Total Department of Agriculture		5,664,720
Department of Commerce		
National Oceanic and Atmospheric Administration	11.RD	2,737,751
National Institute of Standards and Technology	11.RD	2,970
Miscellaneous Programs	11.RD	42,173
Total Department of Commerce		2,782,894

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES
Department of Defense		
Department of the Navy, Office of the Chief of Naval Research	12.RD	1,808,715
U.S. Army Medical Command	12.RD	151,514
U.S. Army Materiel Command	12.RD	141,616
Office of the Secretary of Defense	12.RD	105,735
Department of the Air Force, Materiel Command	12.RD	326,468
National Security Agency	12.RD	29,679
Miscellaneous Programs	12.RD	2,113,467
Total Department of Defense		<u>4,677,194</u>
Department of Housing and Urban Development		
Office of Community Planning and Development	14.RD	(640)
Department of the Interior		
Fish and Wildlife Service	15.RD	130,393
Geological Survey	15.RD	302,698
Miscellaneous Programs	15.RD	229,941
Total Department of Interior		<u>663,032</u>
Department of Justice		
National Institute of Justice	16.RD	284,847
Bureau of Justice Assistance	16.RD	32,802
Total Department of Justice		<u>317,649</u>
Department of Labor		
Employment and Training Administration	17.RD	237,206
Department of State		
Bureau of Educational And Cultural Affairs	19.RD	11,231
Department of Transportation		
Federal Highway Administration	20.RD	459,425
Miscellaneous Programs	20.RD	151,021
Total Department of Transportation		<u>610,446</u>
Office of Personnel Management	27.RD	58,127
Library of Congress	42.RD	130,730
National Aeronautics and Space Administration	43.RD	2,041,315
National Endowment for the Humanities	45.RD	39,943
Institute of Museum and Library Services	45.RD	966
National Science Foundation	47.RD	10,718,724
Environmental Protection Agency		
Office of Water	66.RD	686,515
Office of Research and Development	66.RD	1,444,293
Office of Administration	66.RD	158,922
Miscellaneous Programs	66.RD	35,642
Total Environmental Protection Agency		<u>2,325,372</u>
Department of Energy	81.RD	1,969,630
Department of Education		
Office of Special Education and Rehabilitation Services	84.RD	1,006,982
Office of Elementary & Secondary Education	84.RD	256,322

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES
Office of Educational Research and Improvement	84.RD	3,234,684
Office of Postsecondary Education	84.RD	578,012
Miscellaneous Programs	84.RD	(925)
Total Department of Education		<u>5,075,075</u>
Election Assistance Commission	90.DR	243,463
Department of Health and Human Services		
Office of the Secretary	93.RD	1,518,370
Administration for Children and Families	93.RD	12,253
Centers for Disease Control	93.RD	1,305,725
Health Resources and Services Administration	93.RD	100,384
Substance Abuse and Mental Health Services Administration	93.RD	113,218
National Institutes of Health	93.RD	17,673,288
Miscellaneous Programs	93.RD	976,202
Total Department of Health and Human Services		<u>21,699,440</u>
Department of Homeland Security	97.RD	25,667
United States Agency for International Development	98.RD	<u>130,749</u>
TOTAL RESEARCH GRANTS - UNIVERSITY OF CONNECTICUT		<u>59,422,933</u>
UNIV.OF CONNECTICUT HEALTH CENTER RESEARCH GRANTS (SEE NOTE 2 AND NOTE 12)		
Department of Agriculture		
Cooperative State Research, Education, and Extension Service	10.RD	23,231
Food and Nutrition Service	10.RD	5,128
Total Department of Agriculture		<u>28,359</u>
Department of Defense		
U.S. Army Medical Command	12.RD	2,217,230
U.S. Army Materiel Command	12.RD	122,199
Total Department of Defense		<u>2,339,429</u>
Department of Justice		
National Institute of Justice	16.RD	596,626
Office of Juvenile Justice and Delinquency Prevention	16.RD	518,573
Total Department of Justice		<u>1,115,199</u>
National Aeronautics and Space Administration		
Miscellaneous Programs	43.RD	185,608
National Science Foundation		
Miscellaneous Programs	47.RD	517,375
Environmental Protection Agency		
Office of Air and Radiation	66.RD	58,256
Department of Energy	81.RD	648,867
Department of Education		
Office of Special Education and Rehabilitative Services	84.RD	935,266
Department of Health and Human Services		
Office of the Secretary	93.RD	206,862
Substance Abuse and Mental Health Services Administration	93.RD	605,499
National Institutes of Health	93.RD	63,027,459

STATE OF CONNECTICUT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	EXPENDITURES
Health Resources and Services Administration	93.RD	1,970,731
Office of Population Affairs	93.RD	14,205
Centers for Disease Control	93.RD	1,617,572
Administration for Children and Families	93.RD	559,983
Centers for Medicare and Medicaid Services	93.RD	850,551
Miscellaneous Programs	93.RD	604,078
Total Department of Health and Human Services		<u>69,456,940</u>
Social Security Administration	96.RD	48,797
TOTAL HEALTH CENTER RESEARCH GRANTS		<u>75,334,096</u>
TOTAL RESEARCH AND DEVELOPMENT CLUSTER		<u>134,757,029</u>
TOTAL FEDERAL ASSISTANCE		<u><u>5,582,155,916</u></u>

**STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

Note 1 – Summary of Significant Accounting Policies

Reporting Entity:

The accompanying Schedule of Expenditures of Federal Awards includes all Federal programs administered by the State of Connecticut except for the four Federal programs that are subject to separate audits in compliance with OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those four programs, which are included in the State of Connecticut's basic financial statements, are: the United States Department of Housing and Urban Development's (HUD) *Lower Income Housing Assistance Program-Section Moderate Rehabilitation* (CFDA #14.856); HUD's *Interest Reduction Payments – Rental and Cooperative Housing for Lower Income Families* (CFDA #14.103); and the United States Environmental Protection Agency's *Capitalization Grants for Clean Water State Revolving Funds* (CFDA #66.458) and *Capitalization Grants for Drinking Water State Revolving Funds* (CFDA #66.468) programs. During the fiscal year ended December 31, 2006, the Connecticut Housing Finance Authority expended \$63,507,607 and \$1,065,949 in Federal awards under CFDA #14.856 and CFDA #14.103, respectively. The State of Connecticut expended \$12,736,950 and \$18,597,000 in Federal awards under CFDA #66.458 and CFDA #66.468, respectively, during the fiscal year ended June 30, 2007.

Basis of Accounting:

The accompanying Schedule of Expenditures of Federal Awards is presented on the cash basis of accounting, except for the *Unemployment Insurance* (CFDA #17.225), *Section 8 Housing Assistance Payments Program-Special Allocations* (CFDA #14.195), *Lower Income Housing Assistance Program – Section 8 Moderate Rehabilitation* (CFDA #14.856), and *Section 8 Housing Choice Vouchers* (CFDA #14.871) programs, which are presented on the accrual basis of accounting. 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 State's basic financial statements. Such information, however, 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.

Note 2 – Research Programs at the University of Connecticut

Federally funded research programs at the University of Connecticut and its Health Center have been reported as discrete items. The major Federal departments and agencies providing research assistance have been identified. The research programs at the University and its Health Center are considered one Major Federal Financial Assistance Program for purposes of compliance with the Federal Single Audit Act.

Note 3 – Non-cash Assistance

Non-cash Federal Financial Assistance reported on this Schedule was provided to Connecticut by the following Federal agencies:

Department of Agriculture:	
Food Stamps (10.551)	\$249,157,387
Food Donation (10.550)	10,113,168
Department of Health and Human Services:	
Immunization Grants (93.268)	\$15,606,847
Preventive Health Services - Sexually Transmitted Diseases Control Grants (93.977)	\$142,617
Cooperative Agreement for State Based Diabetes Control Program (93.988)	\$196,441
Centers for Disease Control and Prevention Assistance (93.283)	\$205,500
Project Grants and Cooperative Agreements for Tuberculosis Control Programs (93.116)	\$131,504

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

General Services Administration:

Donation of Federal Surplus Personal Property (39.003) * \$44,030

* The fair market value was estimated to be 23.3% of the property's original acquisition value. Revenue is not recognized when the property is received, and expenditures are not recognized when the property is donated.

Note 4 – Federal Perkins Loan Program

The total presented for the U.S. Department of Education's Perkins Loan Program (84.038) represents the Federal contributions to the loan pool, administrative cost allowances and loans outstanding. Total loans outstanding at June 30, 2007, were \$26,303,404.

Note 5 – Health Professions Student Loans

The total presented for the U.S. Department of Health and Human Services' Health Professions Student Loans, including *Primary Care Loans/Loans for Disadvantaged Students program* (93.342), represents the Federal contributions to the loan pool and loans outstanding. Total loans outstanding at the fiscal year ended June 30, 2007, were \$1,398,344.

Note 6 – Federal Family Education Loan Program

New loans made to students at the State Colleges and Universities under the U.S. Department of Education's Federal *Family Education Loan Program (FFELP)* (84.032) during the fiscal year ended June 30, 2007, totaled \$184,654,518.

Note 7 – WIC Program Rebates and Use of Fines and Penalties

The total amount presented for the WIC Program includes cash rebates received from milk, infant formula and cereal manufacturers in the amount of \$11,192,477 on the sales of formula and cereal to participants in the *U.S. Department of Agriculture's WIC program* (10.557). Rebate contracts with infant formula manufacturers are authorized by 7 CFR 246.16 Subpart E as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs. In addition, the WIC program collected \$5,768 in fines and penalties that were subsequently used to increase WIC Program expenditures and is included in the total amount presented for the WIC program.

Note 8 – Economic Adjustment Assistance Program

The total amount presented for the *Economic Adjustment Assistance program* (11.307) includes the balance of the Revolving Loan Fund (RLF) loans outstanding at the end of the fiscal year in the amount of \$241,774, cash and investment balance in the RLF at the end of the fiscal year in the amount of \$1,527,296, and administrative expenses paid out of RLF income during the fiscal year in the amount of \$117,772.

Note 9 – State Unemployment Insurance Funds

State Unemployment Taxes and the government and non-profit contributions in lieu of State taxes must be deposited to the Unemployment Trust Fund in the U.S. Treasury and may only be used to pay benefits under the Federally approved State Unemployment law. In accordance with OMB Circular A-133 Compliance Supplement, State Unemployment Insurance Funds, as well as Federal Funds, shall be included in the Schedule of Expenditures of Federal Awards with CFDA Number 17.225. The State Funds expended from the Federal Unemployment Trust Fund amounted to \$574,864,699. Total expenditures from the Federal portion of the Unemployment Trust Fund

STATE OF CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

equaled \$10,940,197. The \$63,639,323 in Unemployment Insurance program administrative expenditures was financed by the U.S. Department of Labor.

Note 10 – Child Support Enforcement

During the fiscal year ended June 30, 2007, the Department of Social Services expended a total of \$50,395,720 (Federal share) to accomplish the goals of the *Child Support Enforcement Program* (93.563). However, the State received \$14,749,880 of the \$50,395,720 through withholding of a portion of various collections received by the State through the process of implementing the Child Support Enforcement Program. The other \$35,645,840 of the Federal share of expenditures is reimbursed to the State directly from the Federal government.

Note 11 – HIV Care formula Grants

During the fiscal year ended June 30, 2007, the State expended a total of \$19,212,904 for the *HIV Care Formula Grants* (93.917) net of rebates. The \$407,310 in immunization rebates provided by private pharmaceutical companies represent a reduction in previously incurred expenditures. The rebates are authorized by the AIDS Drug Assistance Program (ADAP) manual Section 340B rebate option as a cost savings measure.

Note 12 - Pass - Through Grants

This type of assistance included on the pass-through schedule is reported as Federal revenue on the State's basic financial statements. Federal assistance received by the State from non state pass-through grantors is identified by CFDA Number, Grantor, Grantor ID and Expenditure Amount, and presented on the following pages.