

**SINGLE AUDIT REPORTING PACKAGE**  
**University of Arkansas for Medical Sciences**  
*Year Ended June 30, 2005*

University of Arkansas for Medical Sciences

Single Audit Reporting Package

Year Ended June 30, 2005

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**Report on Internal Control Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance With *Government Auditing Standards***

The Board of Trustees  
The University of Arkansas

We have audited the financial statements of the University of Arkansas for Medical Sciences (UAMS) as of and for the year ended June 30, 2005, and have issued our report thereon dated October 7, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

***Internal Control Over Financial Reporting***

In planning and performing our audit, we considered UAMS' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether UAMS' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Trustees, management, and 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.

*Ernst & Young LLP*

October 7, 2005

## Report on Compliance and on Internal Control Over Compliance in Accordance With OMB Circular A-133 and on the Schedule of Expenditures of Federal Awards

The Board of Trustees  
The University of Arkansas

### ***Compliance***

We have audited the compliance of the University of Arkansas for Medical Sciences (UAMS) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. UAMS' 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 UAMS' management. Our responsibility is to express an opinion on UAMS' compliance based on our audit.

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

In our opinion, UAMS complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005. 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 Finding 2005-01.

### ***Internal Control Over Compliance***

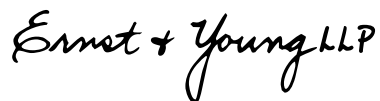
The management of UAMS is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered UAMS' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

We have audited the financial statements of UAMS as of and for the year ended June 30, 2005, and have issued our report thereon dated October 7, 2005. Our audit was performed for the purpose of forming an opinion on the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Trustees, management, and 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.



October 7, 2005

University of Arkansas for Medical Sciences

Schedule of Findings and Questioned Costs  
for the Year Ended June 30, 2005

**Part I – Summary of Auditor’s Results**

**Financial Statement Section**

Type of auditor’s report issued:	Unqualified
	<b><u>Yes</u></b> <b><u>No</u></b>
Internal control over financial reporting:	
Material weakness(es) identified?	X
Reportable condition(s) identified that are not considered to be material weaknesses?	X
Noncompliance material to financial statements noted?	X

**Federal Awards Section**

	<b><u>Yes</u></b> <b><u>No</u></b>
Internal control over major programs:	
Material weakness(es) identified?	X
Reportable condition(s) identified that are not considered to be material weaknesses?	X

Type of auditor’s report issued on compliance for major programs:	Unqualified
	<b><u>Yes</u></b> <b><u>No</u></b>
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	X

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
Various	Research and Development Cluster
Various	Student Financial Assistance Cluster
93.600	Head Start

Dollar threshold used to determine Type A programs:	\$3,000,000
	<b><u>Yes</u></b> <b><u>No</u></b>
Auditee qualified as low-risk auditee?	X

University of Arkansas for Medical Sciences

Schedule of Findings and Questioned Costs  
for the Year Ended June 30, 2005

**Part II – Federal Award Findings and Questioned Costs Section**

**FINDING 2005-01**

**Federal Program Information** – Research and Development Cluster

**Criteria or Specific Requirement** – (OMB Circular A-110, \_\_\_\_.52) A recipient may charge to the grant only allowable costs resulting from obligations incurred during the funding period and any pre-award costs authorized by the Federal awarding agency. (OMB Circular A-21, C.4.d.(3)) A recipient must allocate costs that benefit two or more projects to each project based on the proportional benefit.

**Condition** – UAMS charged certain costs to grants that did not comply with applicable cost principles.

**Questioned Costs** – \$1,621. Likely questioned costs are greater than \$10,000.

**Context** – In a sample of thirty-five expenditures charged to research, two expenditures did not comply with applicable cost principles. In one instance, UAMS charged an allowable cost relating to a subsequent grant period to an earlier grant period that was not yet closed. The other expenditure benefited three consecutive grant years but was fully charged to the initial grant year.

**Effect** – Noncompliance with cost principles can distort the amount of grant expenditures reported and can result in costs charged to grants that are not allowed.

**Cause** – UAMS procedure at the time this grant expired was that all expenses posted outside the budget period were to be reviewed by the Department Business Administrator and a determination made on which budget period the expense belonged in. No documentation or certification of these determinations was required to be submitted to the Grant Accounting (central) Office.

**Recommendation** – UAMS should review expenditures charged to grants to ensure compliance with applicable cost principles.

**Views of Responsible Officials and Planned Corrective Actions** – We concur with this finding. The Grant Accounting (central) Office will improve the review of costs incurred outside a budget period to require detailed explanations and certifications for the appropriateness of these expenses to ensure costs are recorded in the proper budget period.



University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
<b>Major Programs</b>			
<b>Research and Development Cluster</b>			
<b><u>U.S. Department of Agriculture</u></b>			
Agricultural Research Basic and Applied Research	10.001	\$ 85,513	\$ —
Grants for Agricultural Research, Special Research Grants – Passed through University of Arkansas at Fayetteville	10.200	12,871	—
Grants for Agricultural Research – Competitive Research Grants	10.206	6,200	—
Initiative for Future Agriculture and Food Systems	10.302	198,858	—
<b>Total for U.S. Department of Agriculture</b>		<b>\$ 303,442</b>	<b>\$ —</b>
<b><u>U.S. Department of Defense</u></b>			
Aquatic Plant Control – Passed through University of Arkansas at Fayetteville	12.100	\$ 30,617	\$ —
Basic and Applied Scientific Research	12.300	290	—
Military Medical Research and Development	12.420	623,576	—
Military Medical Research and Development – Passed through New York University	12.420	9,588	—
<b>Total for U.S. Department of Defense</b>		<b>\$ 664,071</b>	<b>\$ —</b>

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
<b><u>National Aeronautics and Space Administration</u></b>			
National Aeronautics and Space Administration – Passed through Baylor College of Medicine	43.000	\$ 48,580	\$ –
National Aeronautics and Space Administration – Passed through University of Arkansas at Little Rock	43.000	11,792	–
Aerospace Education Services Program – Passed through University of Arkansas at Little Rock	43.001	8,353	–
Technology Transfer	43.002	24,032	–
<b>Total for National Aeronautics and Space Administration</b>		<b>\$ 92,757</b>	<b>\$ –</b>
<b><u>National Science Foundation</u></b>			
Engineering Grants	47.041	\$ 83,104	\$ –
Biological Sciences	47.074	518,223	108,039
Biological Sciences – Passed through Johns Hopkins University	47.074	8,120	–
<b>Total for National Science Foundation</b>		<b>\$ 609,447</b>	<b>\$ 108,039</b>

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
<b><u>U.S. Department of Health and Human Services</u></b>			
DHHS Contract	93.000	\$ 47,828	\$ -
DHHS Contract – Passed through American College of Radiology	93.000	(20,079)	-
DHHS Contract – Passed through Association of University Centers on Disabilities	93.000	82,923	-
DHHS Contract – Passed through Case Western Reserve University	93.000	354,994	-
DHHS Contract – Passed through Cleveland Clinic Foundation	93.000	2,862	-
DHHS Contract – Passed through St. Luke’s Hospital Research Institute	93.000	(9,075)	-
DHHS Contract – Passed through State University of New York	93.000	1,691	-
DHHS Contract – Passed through Tulane University	93.000	3,839	-
DHHS Contract – Passed through University of Alabama at Birmingham	93.000	75,716	-
DHHS Contract – Passed through University of Michigan	93.000	34,316	-
Special Programs for the Aging – Title IV and Title II – Discretionary Projects	93.048	30,818	1,788
Biological Response to Environmental Health Hazards	93.113	304,715	-
Biological Response to Environmental Health Hazards – Passed through University of Pittsburgh	93.113	99,367	-
Applied Toxicological Research and Testing	93.114	67,018	-
Research Related to Deafness and Communication Disorders	93.173	193,886	45,120
Research Related to Deafness and Communication Disorders – Passed through University of Illinois	93.173	15,030	-
Research on Healthcare Costs, Quality and Outcomes	93.226	26,363	-
Mental Health Research Grants	93.242	465,397	-
Mental Health Research Grants – Passed through University of Washington	93.242	15,071	-

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
Substance Abuse and Mental Health Services – Projects of Regional and National Significance – Passed through Arkansas Department of Human Services	93.243	\$ 284,092	\$ –
Substance Abuse and Mental Health Services – Projects of Regional and National Significance – Passed through University of Alabama at Birmingham	93.243	10,291	–
Poison Control Stabilization and Enhancement Grants	93.253	107,488	–
State Planning Grants – Health Care Access for the Uninsured – Passed through Arkansas Department of Health	93.256	(19,558)	–
Alcohol Research Programs	93.273	458,320	–
Alcohol Research Programs – Passed through University of Alabama at Birmingham	93.273	88,395	–
Alcohol Research Programs – Passed through University of Miami	93.273	48,432	–
Drug Abuse and Addiction Research Programs	93.279	4,823,853	1,107,101
Drug Abuse and Addiction Research Programs – Passed through Inflexion Therapeutics	93.279	91,512	–
Mental Health Research Career/Scientist Development Awards	93.281	172,097	613
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	378,859	–
Centers for Disease Control and Prevention – Investigations and Technical Assistance – Passed through University of Alabama at Birmingham	93.283	78	–
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	931,603	240,936

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
Nursing Research	93.361	\$ 715,554	\$ 24,074
Nursing Research – Passed through University of Michigan	93.361	11,656	–
National Center for Research Resources	93.389	5,686,752	1,729,193
National Center for Research Resources – Passed through University of Arkansas at Fayetteville	93.389	242,300	–
Cancer Cause and Prevention Research	93.393	372,963	–
Cancer Cause and Prevention Research – Passed through University of California at San Francisco	93.393	14,107	–
Cancer Detection and Diagnosis Research	93.394	612,090	93,099
Cancer Treatment Research	93.395	5,008,865	220,400
Cancer Treatment Research – Passed through American College of Radiology	93.395	(311)	–
Cancer Treatment Research – Passed through DCV Technologies	93.395	1,817	–
Cancer Treatment Research – Passed through National Childhood Cancer Foundation	93.395	52,007	–
Cancer Treatment Research – Passed through National Surgical Adjuvant Breast & Bowel Program	93.395	77,665	–
Cancer Treatment Research – Passed through Southwest Oncology Group	93.395	58,335	–
Cancer Treatment Research – Passed through University of Pennsylvania	93.395	229,501	–
Cancer Biology Research	93.396	1,327,616	–
Cancer Research Manpower	93.398	274,601	–
Cancer Control	93.399	817,139	12,810
Cancer Control – Passed through University of California at San Francisco	93.399	8,422	–

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
Temporary Assistance for Needy Families – Passed through Arkansas Department of Human Services	93.558	\$ 751,199	\$ –
Medical Assistance Program – Passed through Children’s Medical Services	93.778	80,355	–
Heart and Vascular Diseases Research	93.837	879,399	4,426
Heart and Vascular Diseases Research – Passed through CW Optics, Inc.	93.837	31,376	–
Heart and Vascular Diseases Research – Passed through University of Texas Medical Branch at Galveston	93.837	45,475	–
Lung Diseases Research	93.838	101,873	–
Blood Diseases and Resources Research	93.839	466,219	–
Blood Diseases and Resources Research – Passed through University of Iowa	93.839	(43,504)	–
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	1,224,953	–
Arthritis, Musculoskeletal and Skin Diseases Research – Passed through Brigham and Women’s Hospital	93.846	(5,051)	–
Diabetes, Endocrinology and Metabolism Research	93.847	1,262,628	19,403
Diabetes, Endocrinology and Metabolism Research – Passed through University of Chicago	93.847	12,153	–

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
Digestive Diseases and Nutrition Research	93.848	\$ 1,304,822	\$ —
Digestive Diseases and Nutrition Research – Passed through University of Vermont	93.848	2,695	—
Kidney Diseases, Urology and Hematology Research	93.849	1,346,718	3,401
Kidney Diseases, Urology and Hematology Research – Passed through University of California at San Francisco	93.849	37,784	—
Kidney Diseases, Urology and Hematology Research – Passed through Wake Forest University	93.849	25,066	—
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	4,881,447	307,699
Extramural Research Programs in the Neurosciences and Neurological Disorders – Passed through University of Alabama at Birmingham	93.853	18,150	—
Extramural Research Programs in the Neurosciences and Neurological Disorders – Passed through Washington University	93.853	6,315	—
Allergy, Immunology and Transplantation Research	93.855	109,826	—
Allergy, Immunology and Transplantation Research – Passed through Duke Clinical Research	93.855	23,267	—
Allergy, Immunology and Transplantation Research – Passed through University of California at Los Angeles	93.855	11,450	—
Microbiology and Infectious Diseases Research	93.856	4,043,617	697,569

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
Microbiology and Infectious Diseases Research – Passed through University of Maryland	93.856	\$ 120,561	\$ –
Microbiology and Infectious Diseases Research – Passed through University of Medicine and Dentistry of New Jersey	93.856	81,160	–
Biomedical Research and Research Training	93.859	1,845,143	76,526
Child Health and Human Development Extramural Research	93.865	751,871	–
Child Health and Human Development Extramural Research – Passed through Arkansas Children’s Hospital Research Institute	93.865	(3,257)	–
Child Health and Human Development Extramural Research – Passed through University of Alabama at Birmingham	93.865	17,703	–
Aging Research	93.866	7,379,432	597,208
Aging Research – Passed through Beth Israel Deaconess Medical Center	93.866	278,716	–
Aging Research – Passed through University of Washington	93.866	28,181	–
Vision Research	93.867	654,382	23,211
Grants for Residency Training in General Internal Medicine and/or General Pediatrics	93.884	25,991	–
Resource and Manpower Development in the Environmental Health Sciences	93.894	167,564	–



University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
Block Grants for Prevention and Treatment of Substance Abuse – Passed through Arkansas Department of Human Services	93.959	\$ 301,664	\$ –
Bioterrorism Training and Curriculum Development Program	93.996	1,342,770	150,728
<b>Total for U.S. Department of Health and Human Services</b>		<b>\$ 54,289,334</b>	<b>\$ 5,355,305</b>
<b>Total Research and Development Cluster</b>		<b>\$ 55,959,051</b>	<b>\$ 5,463,344</b>
<b>Student Financial Assistance Cluster</b>			
<b><u>U.S. Department of Education</u></b>			
Federal Supplemental Educational Opportunity Grants	84.007	\$ 50,000	\$ –
Federal Family Education Loans	84.032	22,103,086	–
Federal Perkins Loan Program – Federal Capital Contributions	84.038	2,548,899	–
Federal Pell Grant Program	84.063	761,619	–
<b>Total for U.S. Department of Education</b>		<b>\$ 25,463,604</b>	<b>\$ –</b>

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
<b><u>U.S. Department of Health and Human Services</u></b>			
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342	\$ 4,268,584	\$ -
Nursing Student Loans	93.364	274,313	-
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925	18,742	-
<b>Total for U.S. Department of Health and Human Services</b>		<b>\$ 4,561,639</b>	<b>\$ -</b>
<b>Total Student Financial Assistance Cluster</b>		<b>\$ 30,025,243</b>	<b>\$ -</b>
<b><u>Head Start</u></b>			
Head Start (Non-classroom program)	93.600	\$ 461,828	\$ 38,348
Head Start (Classroom program)	93.600	6,339,356	-
<b>Total for Head Start</b>		<b>\$ 6,801,184</b>	<b>\$ 38,348</b>
<b>Total Major Programs</b>		<b>\$ 92,785,478</b>	<b>\$ 5,501,692</b>

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
<b>Non-Major Programs</b>			
<b><u>U.S. Department of Agriculture</u></b>			
Child and Adult Care Food Program – Passed through Arkansas Department of Human Services	10.558	\$ 554,197	\$ –
<b>Total for U.S. Department of Agriculture</b>		<b>\$ 554,197</b>	<b>\$ –</b>
<b><u>U.S. Department of Commerce</u></b>			
Special American Business Internship Training Program	11.114	\$ 6,491	\$ –
<b>Total for U.S. Department of Commerce</b>		<b>\$ 6,491</b>	<b>\$ –</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Emergency Shelter Grants Program – Passed through Arkansas Department of Human Services	14.231	\$ 18,667	\$ –
<b>Total for U.S. Department of Housing and Urban Development</b>		<b>\$ 18,667</b>	<b>\$ –</b>

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
<b><u>U.S. Department of Justice</u></b>			
Sex Offender Management Discretionary Grant	16.203	\$ 7,777	\$ -
Education and Training to End Violence Against and Abuse of Women with Disabilities	16.529	106,739	23,785
Violence Against Women Formula Grants – Passed through Arkansas Department of Finance and Administration	16.588	(6,246)	-
Rural Domestic Violence and Child Victimization Enforcement Grant Program	16.589	74,428	-
<b>Total for U.S. Department of Justice</b>		<b>\$ 182,698</b>	<b>\$ 23,785</b>
<b><u>U.S. Department of Labor</u></b>			
Employment and Training Administration Pilots, Demonstrations, and Research Projects	17.261	\$ 29,369	\$ -
Employment and Training Administration Pilots, Demonstrations, and Research Projects – Passed through Little Rock Workforce Investment Board	17.261	712,720	-
<b>Total for U.S. Department of Labor</b>		<b>\$ 742,089</b>	<b>\$ -</b>

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
<b><u>U.S. Department of Transportation</u></b>			
State and Community Highway Safety – Passed through Arkansas Highway and Transportation Department	20.600	\$ 142,933	\$ –
<b>Total for U.S. Department of Transportation</b>		<b>\$ 142,933</b>	<b>\$ –</b>
<b><u>National Science Foundation</u></b>			
National Science Foundation Contract – Passed through University of Arkansas at Little Rock	47.000	\$ (584)	\$ –
<b>Total for National Science Foundation</b>		<b>\$ (584)</b>	<b>\$ –</b>
<b><u>Environmental Protection Agency</u></b>			
Environmental Protection – Consolidated Research Surveys, Studies, Investigations and Special Purpose Grants	66.500	\$ 158,408	\$ 27,018
within the Office of Research and Development	66.510	11,889	–
<b>Total for Environmental Protection Agency</b>		<b>\$ 170,297</b>	<b>\$ 27,018</b>

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
<b><u>U.S. Department of Education</u></b>			
Fund for the Improvement of Postsecondary Education	84.116	\$ 979,945	\$ 554,303
Fund for the Improvement of Postsecondary Education – Passed through the University of Arkansas System – Clinton School	84.116	135,772	–
Safe and Drug-Free Schools and Communities – State Grants – Passed through Russellville School District	84.186	86,805	5,795
Parental Assistance Centers – Passed through Jones Center for Families	84.310	325,232	–
<b>Total for U.S. Department of Education</b>		<b>\$ 1,527,754</b>	<b>\$ 560,098</b>

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
<b><u>U.S. Department of Health and Human Services</u></b>			
DHHS Contract	93.000	\$ 2,114	\$ -
DHHS Contract – Passed through Arkansas Department of Health	93.000	89,007	-
DHHS Contract – Passed through Arkansas Department of Human Services	93.000	2,600	-
DHHS Contract – Passed through Courtesy Associates	93.000	12,248	-
DHHS Contract – Passed through Missouri Foundation for Health	93.000	42,350	-
DHHS Contract – Passed through Ogilvy Public Relations	93.000	20,720	-
DHHS Contract – Passed through Prospect Associates, Ltd.	93.000	(1,061)	-
DHHS Contract – Passed through University of Kentucky	93.000	128,411	29,538
DHHS Contract – Passed through Western Interstate Commission for Higher Education	93.000	44,635	-
Alzheimer’s Disease Demonstration Grants to States – Passed through Arkansas Department of Human Services	93.051	32,148	19,144
Model State-Supported Area Health Education Centers	93.107	511,441	-
Maternal and Child Health Federal Consolidated Programs	93.110	435,085	26,970
Nursing Workforce Diversity	93.178	229,801	-
Disabilities Prevention	93.184	388,688	51,513
Health Education and Training Centers	93.189	227,316	8,500
Quentin N. Burdick Programs for Rural Interdisciplinary Training	93.192	240,770	4,148
Telehealth Network Grants	93.211	265,462	-

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
Family Planning – Services – Passed through Arkansas Department of Health	93.217	\$ 60,138	\$ –
Consolidated Knowledge Development and Application (KD&A) Program – Passed through City of Little Rock	93.230	345	–
Consolidated Knowledge Development and Application (KD&A) Program – Passed through City of North Little Rock	93.230	128,754	–
Consolidated Knowledge Development and Application (KD&A) Program – Passed through Pulaski County Special School District	93.230	24,912	–
Policy Research and Evaluation Grants – Passed through Arkansas Department of Human Services	93.239	26,831	–
Mental Health Research Grants	93.242	187,567	–
Mental Health Research Grants – Passed through Arkansas Department of Human Services	93.242	23,351	–
Substance Abuse and Mental Health Services – Projects of Regional and National Significance	93.243	220,493	–
Advanced Education Nursing Grant Program	93.247	162,876	–
Healthy Communities Access Program	93.252	311,635	–
Poison Control Stabilization and Enhancement Grants	93.253	52,328	–
State Planning Grants Health Care Access for the Uninsured – Passed through Arkansas Department of Health	93.256	566,247	186,658



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Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
Occupational Safety and Health Program – Passed through University of Texas Health Center at Tyler	93.262	\$ 34,227	\$ –
Drug Abuse and Addiction Research Programs	93.279	38,907	–
Mental Health National Research Service Awards for Research Training	93.282	43	–
Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283	4,310	–
Advanced Education Nursing Traineeships	93.358	56,500	–
Nurse Education, Practice and Retention Grants	93.359	220,718	–
Nursing Research	93.361	253,576	1,722
National Center for Research Resources	93.389	351,100	5,949
Cancer Treatment Research – Passed through Southwest Oncology Group	93.395	9,574	–
Cancer Research Manpower	93.398	214,767	–
Cancer Control – Passed through St. Louis University	93.399	36,862	–
Child Care and Development Block Grant – Passed through Arkansas Department of Human Services	93.575	38	–
Child Care Mandatory and Matching Funds of the Child Care and Development Fund – Passed through Arkansas Department of Human Services	93.596	56,854	–
Developmental Disabilities Basic Support and Advocacy Grants – Passed through Arkansas Governor’s Developmental Disabilities Council	93.630	12,218	–

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632	\$ 455,369	\$ —
Children’s Justice Grants to States	93.643	230,265	—
Social Services Block Grant – Passed through Arkansas Department of Human Services	93.667	(4,796)	—
Family Violence Prevention and Services/Grants for Battered Women’s Shelters – Grants to States and Indian Tribes – Passed through Arkansas Department of Health	93.671	499,640	346,078
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations – Passed through Arkansas Department of Human Services	93.779	12,311	—
Health Careers Opportunity Program	93.822	216,986	—
Microbiology and Infectious Diseases Research	93.856	26,927	—
Child Health and Human Development Extramural Research	93.865	27,236	—
Aging Research	93.866	50,662	—
Medical Library Assistance	93.879	72,773	—
Grants for Training in Primary Care Medicine and Dentistry	93.884	242,640	—
Health Care and Other Facilities	93.887	91,664	—
Rural Health Services Outreach and Rural Health Network Development Program – Passed through Mid Delta Community Consortium	93.912	108,295	—

University of Arkansas for Medical Sciences

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2005

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Expenditures	Payments to Subrecipients
Grants to States for Operation of Offices of Rural Health – Passed through Arkansas Department of Health	93.913	\$ 34,311	\$ –
Block Grants for Prevention and Treatment of Substance Abuse – Passed through Arkansas Department of Health	93.959	464,769	–
Block Grants for Prevention and Treatment of Substance Abuse – Passed through City of Little Rock	93.959	77,494	–
Geriatric Education Centers	93.969	444,784	141,268
Geriatric Education Centers – Passed through University of Oklahoma	93.969	(740)	–
Bioterrorism Training and Curriculum Development Program	93.996	175,661	–
<b>Total for U.S. Department of Health and Human Services</b>		<b>\$ 8,953,157</b>	<b>\$ 821,488</b>
<b><u>Corporation for National and Community Service</u></b>			
Training and Technical Assistance – Passed through University of Massachusetts at Boston	94.009	\$ (174)	\$ –
<b>Total for Corporation for National and Community Service</b>		<b>\$ (174)</b>	<b>\$ –</b>
<b>Total Non-Major Programs</b>		<b>\$ 12,297,525</b>	<b>\$ 1,432,389</b>
<b>Total All Programs</b>		<b>\$ 105,083,003</b>	<b>\$ 6,934,081</b>

See accompanying notes.

University of Arkansas for Medical Sciences

Notes to Schedule of Expenditures of Federal Awards  
for the Year Ended June 30, 2005

**1. Basis of Accounting**

The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. Expenditures are recognized as they are incurred.

**2. Loans and Loan Guarantees**

Federal awards expended under the following loan programs were determined based on the value of new loans made during the year, plus the balance of loans from previous years, for which the federal government imposes continuing compliance requirements, plus any interest subsidies, cash, or administrative cost allowance received.

	<b>CFDA Number</b>	<b>Amount</b>
Federal Perkins Loan Program	<b>84.038</b>	<b>\$ 2,548,899</b>
Health Professions Student Loans	<b>93.342</b>	<b>4,268,584</b>
Nursing Student Loans	<b>93.364</b>	<b>274,313</b>
Federal Family Education Loan Program:		
College of Medicine	<b>84.032</b>	<b>13,063,985</b>
Other colleges	<b>84.032*</b>	<b>9,039,101</b>
		<b>\$ 29,194,882</b>

\*Represents loans approved. Actual loan disbursements not monitored by UAMS.

**3. Units of Service for CFDA 10.558 – Child and Adult Care Food Program  
(Unaudited)**

As provided by the Head Start Program Office, the units of service (meals served) for the year ended June 30, 2005, are as follows:

	<b>Units of Service</b>
Breakfasts Served	<b>117,242</b>
Lunches Served	<b>134,057</b>
Snacks Served	<b>131,754</b>
Total Units of Service	<b>383,053</b>

University of Arkansas for Medical Sciences

Notes to Schedule of Expenditures of Federal Awards  
for the Year Ended June 30, 2005  
(continued)

**4. Medicaid Funding (Unaudited)**

Gross Medicaid charges by department for the year ended June 30, 2005, are as follows:

	<u>Amount</u>
Faculty Group Practice	\$ 80,208,622
Arkansas Children's Hospital outpatients	11,917,988
Area Health Education Centers	11,605,794
The University Hospital of Arkansas	<u>150,029,637</u>
Total charges	<u>\$ 253,762,041</u>