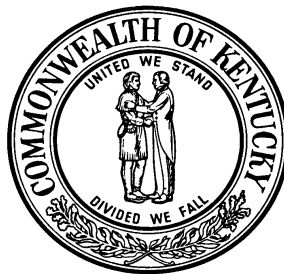


**REPORT OF THE STATEWIDE SINGLE AUDIT OF THE
COMMONWEALTH OF KENTUCKY**

VOLUME I

**For the Year Ended
June 30, 2024**



**ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS
auditor.ky.gov**

**209 ST. CLAIR STREET
FRANKFORT, KY 40601-1817
(502) 564-5841**

THE STATEWIDE SINGLE AUDIT OF THE COMMONWEALTH OF KENTUCKY
VOLUME I
FOR THE YEAR ENDED JUNE 30, 2024

Background

The Single Audit Act of 1984, subsequent amendments, and corresponding regulations require an annual audit of the financial statements and compliance with requirements applicable to major federal programs. The Auditor of Public Accounts (APA) meets these requirements and submits audit findings required to be reported by auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) through our opinion on the Commonwealth's Annual Comprehensive Financial Report (ACFR) and through the Statewide Single Audit of Kentucky (SSWAK). The SSWAK report is contained in two volumes, as noted below.

SSWAK - Volume I contains financial reporting information based on our audit of the ACFR. It includes the APA's opinion on the Schedule of Expenditures of Federal Awards (SEFA) in relation to the financial statements, the *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*, and financial statement findings related to internal control and compliance.

SSWAK - Volume II will present elements required under the Uniform Guidance, including the *Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance* and the Schedule of Findings and Questioned Costs.

Annual Comprehensive Financial Report

The ACFR, including our report thereon based on our audit and the reports of other auditors, has been issued under separate cover. In our Independent Auditor's Report on the ACFR, we identified the percentages of various funds and component units audited by other auditors. The agencies and funds audited by other auditors, as well as contact information, are presented in the Appendix of this report.

The scope of the ACFR audit included:

- An audit of the basic financial statements and combining financial statements;
- Limited procedures applied to required supplementary information;
- An audit of the SEFA sufficient to give an opinion in relation to the basic financial statements;
- Tests of compliance with certain provisions of laws, regulations, contracts, and grants, and tests of internal controls where applicable.

**THE STATEWIDE SINGLE AUDIT OF THE
COMMONWEALTH OF KENTUCKY VOLUME I
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Schedule of Expenditures of Federal Awards

The SEFA presented within this report is organized by federal grantor. The Assistance Listing Numbers (ALNs) and program names are listed under the federal grantor administering the program. The notes to the SEFA provide more detailed information on certain aspects of the expenditures. Clusters of programs are indicated in the SEFA by light gray shading. The identification of major federal programs and our report thereon will be presented in Volume II of the SSWAK.

For the fiscal year (FY) ended June 30, 2024, the total federal dollars expended by the Commonwealth of Kentucky was \$20,758,477,226 in cash awards and \$1,434,393,476 in noncash awards. These totals represent an increase of \$948,014,084 in cash expenditures and a decrease of \$88,622,375 in noncash expenditures in comparison with the totals for FY 2023.

Component Units

The Commonwealth of Kentucky reporting entity for the ACFR includes various component units, including state universities and retirement systems, as identified in accordance with Governmental Accounting Standards Board statements. However, except for ACFR reporting, the Commonwealth has elected to exclude component units from the statewide single audit. Thus, these component units, including state universities and retirement systems, are not included in the accompanying SEFA and reports on internal control over financial reporting and compliance. These entities are still required to have audits performed in accordance with the provisions of the Uniform Guidance, if applicable, based on their total federal expenditures. Separately issued reports of component units can be obtained by contacting the respective agencies. Contact information for these agencies is presented in the Appendix of this report.



ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

February 28, 2025

Honorable Andy Beshear, Governor
Cabinet Secretaries and Agency Heads
Members of the Commonwealth of Kentucky General Assembly

As Auditor of Public Accounts, I am pleased to transmit our report of the Statewide Single Audit of Kentucky - Volume I for the Fiscal Year ended June 30, 2024. Volume I contains financial statement findings identified during our audit of the Annual Comprehensive Financial Report (ACFR), the Schedule of Expenditures of Federal Awards (SEFA), related notes, and our opinion thereon, as well as the *Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.

We will subsequently report to you the required elements of Title 2 U.S. Code of Federal Regulation (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards* in Volume II of this report upon completion of our audit of the Commonwealth's major federal programs.

On behalf of the staff of the Auditor of Public Accounts, I wish to thank the employees of the Commonwealth for their cooperation during the course of our audit. Should you have any questions concerning this report, please contact Shawna Crouse, Deputy State Auditor.

Respectfully Submitted,

Allison Ball

Allison Ball
Auditor of Public Accounts

209 ST. CLAIR STREET
FRANKFORT, KY 40601-1817

TELEPHONE 502.564.5841
FACSIMILE 502.564.2912
AUDITOR.KY.GOV

AN EQUAL OPPORTUNITY EMPLOYER M/F/D



CONTENTS

	Page
INDEPENDENT AUDITOR’S REPORT	1
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	7
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	19
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	31
Financial Statement Findings	
<i>Material Weaknesses Relating to Internal Controls and/or Noncompliances</i>	
<u>FINDING 2024-001:</u> The Finance And Administration Cabinet Failed To Ensure The Kentucky Horse Park Fixed Asset Beginning Balances Were Accurate	37
<u>FINDING 2024-002:</u> Capital Project Accounts Payable Activity Was Not Properly Accounted For Or Recorded In The Commonwealth's Financial Statements	40
<u>FINDING 2024-003:</u> The Kentucky Horse Park Failed To Identify All Accounts Receivable Activity Necessary For Accurate Financial Reporting	43
<u>FINDING 2024-004:</u> The Kentucky Horse Park Failed To Ensure Expenses Were Capitalized In Accordance With Established Policy	46
<u>FINDING 2024-005:</u> The Department Of Revenue Failed To Maintain Controls Over Submission Of The Annual Closing Package	49
<i>Significant Deficiencies Relating to Internal Controls and/or Noncompliances`</i>	
<u>FINDING 2024-006:</u> The Finance And Administration Cabinet Failed To Ensure Long-Term Debt Activity For The Commonwealth Was Accurately Recorded	51
<u>FINDING 2024-007:</u> The Finance And Administration Cabinet Failed To Maintain Internal Controls Over Tax Refunds Payable For The Commonwealth	53
<u>FINDING 2024-008:</u> The Finance And Administrative Cabinet Failed To Implement Adequate Internal Controls To Ensure The Completeness And Accuracy Of The Schedule Of Expenditures Of Federal Awards	55
<u>FINDING 2024-009:</u> The Cabinet For Health And Family Services Incorrectly Reported Expenditures For One Federal Program On The Schedule Of Expenditures Of Federal Awards.....	57
<u>FINDING 2024-010:</u> The Energy And Environment Cabinet Failed To Accurately Account For Grant Activity Resulting In A Misstatement In The Federal Fund And On The Schedule Of Expenditures Of Federal Awards	59
APPENDIX	63



ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Independent Auditor's Report

Honorable Andy Beshear, Governor
Cabinet Secretaries and Agency Heads
Members of the Commonwealth of Kentucky Legislature

Report on the Schedule of Expenditures of Federal Awards

Opinion

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Commonwealth of Kentucky as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commonwealth of Kentucky's basic financial statements. We issued our report thereon dated January 24, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance) and is not a part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, except for the effects of the application of a different basis of accounting, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the Commonwealth's basic financial statements as a whole.



Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report.

We are required to be independent of the Commonwealth of Kentucky and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The Schedule of Expenditures of Federal Awards is prepared on the cash basis of accounting as modified by the application of Kentucky Revised Statute 45.229, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the schedule in accordance with the cash basis of accounting as modified by the application of Kentucky Revised Statute 45.229, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the schedule, whether due to fraud, or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedule.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commonwealth of Kentucky's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information

This report is intended solely for the information and use of management, members of the General Assembly, 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.

Respectfully Submitted,

Allison Ball

Allison Ball

Auditor of Public Accounts

Frankfort, Kentucky

January 24, 2025

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U.S. Department of Agriculture					
Direct Programs:					
10.025	Plant and Animal Disease, Pest Control, and Animal Care	\$ 679,497	\$ —	\$ —	
10.028	Wildlife Services	155,430	—	—	
10.072	Wetlands Reserve Program	338,771	—	—	
10.153	Market News	29,404	—	—	
10.162	Inspection Grading and Standardization	38,326	—	—	
10.163	Market Protection and Promotion	74,090	—	—	
10.170	Specialty Crop Block Grant Program - Farm Bill	360,069	—	—	
10.175	Farmers Market and Local Food Promotion Program	41,852	—	—	
10.177	Regional Food System Partnerships	58,051	—	—	
10.182	COVID-19 Pandemic Relief Activities: Local Food Purchase Agreements with States, Tribes,	4,295,181	—	4,122,309	14
10.185	Local Food for Schools Cooperative Agreement Program	2,051,623	—	2,051,623	
10.187	The Emergency Food Assistance Program (TEFAP) Commodity Credit Corporation Eligible Recipient Funds	525,000	—	525,000	
10.334	Enhancing Agricultural Opportunities for Military Veterans Competitive Grants Program	85,987	—	—	
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program	69,092	—	—	
10.537	Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants	15,335	—	—	
10.542	COVID-19 Pandemic EBT Food Benefits	—	73,358,200	—	2, 10, 14
SNAP Cluster:					
10.551	Supplemental Nutrition Assistance Program	—	1,201,670,442	—	2, 10
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	116,295,973	—	9,449,815	2
10.561	COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	4,989,729	—	1,414	2, 14
	Total SNAP Cluster:	121,285,702	1,201,670,442	9,451,229	
Child Nutrition Cluster:					
10.553	School Breakfast Program	123,307,274	—	123,307,274	2
10.555	COVID-19 National School Lunch Program	19,911,268	—	19,911,268	2, 14
10.555	National School Lunch Program	297,954,592	28,316,189	326,270,781	2, 10
10.556	Special Milk Program for Children	17,311	—	17,311	2
10.559	Summer Food Service Program for Children	22,415,191	—	21,782,267	2
10.582	Fresh Fruit and Vegetable Program	4,118,852	—	4,118,852	2
	Total Child Nutrition Cluster:	467,724,488	28,316,189	495,407,753	
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	132,539,136	—	24,861,538	2
10.557	COVID-19 WIC Special Supplemental Nutrition Program for Women, Infants, and Children	127,818	—	—	2, 14
10.558	Child and Adult Care Food Program	57,955,468	—	57,090,777	2
10.560	State Administrative Expenses for Child Nutrition	6,025,571	—	1,100,717	
Food Distribution Cluster:					
10.565	Commodity Supplemental Food Program	3,172,759	13,168,996	16,236,052	2, 10, 11
10.568	Emergency Food Assistance Program (Administrative Costs)	3,394,587	—	3,317,083	2
10.569	Emergency Food Assistance Program (Food Commodities)	2,950	37,116,609	37,116,609	2, 10
	Total Food Distribution Cluster:	6,570,296	50,285,605	56,669,744	
10.572	WIC Farmers' Market Nutrition Program (FMNP)	240,081	—	—	
10.575	Farm to School Grant Program	231,441	—	230,550	
10.576	Senior Farmers Market Nutrition Program	398,111	—	—	
10.578	WIC Grants To States (WGS)	182,033	—	173,424	
10.579	Child Nutrition Discretionary Grants Limited Availability	1,023,414	—	1,023,414	
10.579	COVID-19 Child Nutrition Discretionary Grants Limited Availability	53,220	—	53,220	
10.580	Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants	734,400	—	—	
10.646	Summer Electronic Benefit Transfer Program for Children	20,647,221	—	—	
10.649	COVID-19 Pandemic EBT Administrative Costs	5,204,435	—	—	14
10.652	Forestry Research	188,231	247,012	—	10
10.664	Cooperative Forestry Assistance	3,534,583	—	296,180	
10.676	Forest Legacy Program	3,743	—	—	
10.678	Forest Stewardship Program	9,469	—	—	
10.680	Forest Health Protection	64,994	—	—	
10.691	Good Neighbor Authority	11,419	—	—	
10.697	State & Private Forestry Hazardous Fuel Reduction Program	225,218	—	40,000	
10.698	State & Private Forestry Cooperative Fire Assistance	125,909	—	7,087	
10.716	Infrastructure Investment and Jobs Act Prescribed Fire/Fire Recovery	3,001	—	—	
10.717	Infrastructure Investment and Jobs Act Restoration/Revegetation	38,986	—	—	
10.720	Infrastructure Investment and Jobs Act Community Wildfire Defense Grants	111,776	—	13,594	
10.727	Inflation Reduction Act Urban & Community Forestry Program	4,624	—	—	
10.902	Soil and Water Conservation	63,230	—	—	
10.913	Farm and Ranch Lands Protection Program	105,433	—	—	
	Total U.S. Department of Agriculture	\$ 834,251,159	\$ 1,353,877,448	\$ 653,118,159	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U.S. Department of Commerce					
Direct Programs:					
11.032	State Digital Equity Planning and Capacity Grant	\$ 633,058	\$ —	\$ —	
11.035	Broadband Equity, Access, and Deployment Program	373,229	—	—	
11.302	Economic Development Support for Planning Organizations	1,559,244	—	1,514,331	
Economic Development Cluster:					
11.307	COVID-19 Economic Adjustment Assistance	748,123	—	—	14
Total Economic Development Cluster:		<u>748,123</u>	<u>—</u>	<u>—</u>	
Total U.S. Department of Commerce		<u>\$ 3,313,654</u>	<u>\$ —</u>	<u>\$ 1,514,331</u>	
U.S. Department of Defense					
Direct Programs:					
12.113	State Memorandum of Agreement Program for the Reimbursement of Technical Services	\$ 113,596	\$ —	\$ —	
12.401	National Guard Military Operations and Maintenance (O&M) Projects	26,260,811	—	—	
12.404	National Guard ChalleNGe Program	8,411,942	—	—	
12.617	Economic Adjustment Assistance for State Governments	435,940	—	—	
12.U01	Chemical Demilitarization and Remediation Activity for Hazardous Waste Activities at Chemical Demilitarization Facilities	1,691,280	—	—	15
Total U.S. Department of Defense		<u>\$ 36,913,569</u>	<u>\$ —</u>	<u>\$ —</u>	
U.S. Department of Housing and Urban Development					
Direct Programs:					
Committee Development Block Grants -State-Administered Small Cities Program					
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	\$ 38,382,579	\$ —	\$ 37,077,267	2, 8
14.401	Fair Housing Assistance Program	321,017	—	—	
Total U.S. Department of Housing and Urban Development		<u>\$ 38,703,596</u>	<u>\$ —</u>	<u>\$ 37,077,267</u>	
U.S. Department of the Interior					
Direct Programs:					
15.018	Energy Community Revitalization Program (ECRP)	\$ 6,706,656	\$ —	\$ —	
15.069	Zoonotic Disease Initiative	133,109	—	—	7
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	14,424,955	—	—	
15.252	Abandoned Mine Land Reclamation (AMLR)	41,357,880	—	2,170,526	2
Fish and Wildlife Cluster:					
15.605	Sport Fish Restoration	5,772,458	—	—	7
15.611	Wildlife Restoration and Basic Hunter Education and Safety	17,925,767	—	306,599	7, 9
Total Fish and Wildlife Cluster:		<u>23,698,225</u>	<u>—</u>	<u>306,599</u>	
15.608	Fish and Wildlife Management Assistance	2,274,749	—	—	7
15.615	Cooperative Endangered Species Conservation Fund	327,174	—	37,500	7
15.616	Clean Vessel Act	133,301	—	—	
15.631	Partners for Fish and Wildlife	36,045	—	—	
15.634	State Wildlife Grants	718,477	—	—	7
15.657	Endangered Species Recovery Implementation	39,231	—	—	
15.664	Fish and Wildlife Coordination and Assistance	7,540	—	—	
15.684	White-nose Syndrome National Response Implementation	40,000	—	—	7
15.817	National Geospatial Program: Building the National Map	1,480,619	—	—	
15.904	Historic Preservation Fund Grants-In-Aid	1,014,300	—	101,262	
15.916	Outdoor Recreation Acquisition, Development and Planning	1,378,413	—	1,378,413	6
15.929	Save America's Treasures	185,831	—	—	
Total U.S. Department of the Interior		<u>\$ 93,956,505</u>	<u>\$ —</u>	<u>\$ 3,994,300</u>	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U.S. Department of Justice					
Direct Programs:					
16.017	Sexual Assault Services Formula Program	\$ 604,051	\$ —	\$ 587,740	
16.044	Forensics Training and Technical Assistance Program	27,451	—	—	
16.320	Services for Trafficking Victims	306,946	—	—	
16.540	Juvenile Justice and Delinquency Prevention	644,400	—	601,946	
16.543	Missing Children's Assistance	369,845	—	—	
16.550	State Justice Statistics Program for Statistical Analysis Centers	263,669	—	—	
16.554	National Criminal History Improvement Program (NCHIP)	1,574,836	—	—	
16.575	Crime Victim Assistance	18,767,065	—	17,346,030	
16.576	Crime Victim Compensation	664,000	—	—	
16.582	Crime Victim Assistance/Discretionary Grants	68,372	—	66,219	
16.585	Treatment Court Discretionary Grant Program	921,556	—	—	7
16.588	Violence Against Women Formula Grants	1,901,632	—	1,628,861	
16.593	Residential Substance Abuse Treatment for State Prisoners	381,230	—	—	
16.606	State Criminal Alien Assistance Program	258,348	—	—	
16.609	Project Safe Neighborhoods	178,346	—	124,040	
16.710	Public Safety Partnership and Community Policing Grants	416,807	—	—	
16.738	Edward Byrne Memorial Justice Assistance Grant Program	2,669,332	—	2,025,245	
16.741	DNA Backlog Reduction Program	1,192,564	—	—	
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	365,729	—	—	
16.746	Capital Case Litigation Initiative	80,289	—	—	
16.750	Support for Adam Walsh Act Implementation Grant Program	187,284	—	—	
16.754	Harold Rogers Prescription Drug Monitoring Program	815,779	—	—	
16.812	Second Chance Act Reentry Initiative	368,684	—	—	
16.820	Postconviction Testing of DNA Evidence	92,059	—	—	
16.833	National Sexual Assault Kit Initiative	951,897	—	—	
16.838	Comprehensive Opioid, Stimulant, and other Substances Use Program	2,970,143	—	984,815	
16.839	STOP School Violence	39,640	—	—	
16.922	Equitable Sharing Program	8,419,866	—	—	
16.U01	Other Federal Assistance (DEA)	2,436,509	—	—	15
16.U02	Other Federal Assistance (FBI)	45,429	—	—	15
16.U03	Other Federal Assistance (ATF)	28,556	—	—	15
16.U04	Other Federal Assistance (USMS)	7,636	—	—	15
16.U06	United States Postal Inspection Service (USPIS) Task Force	18,408	—	—	15
Total U.S. Department of Justice		\$ 48,038,358	\$ —	\$ 23,364,896	
U.S. Department of Labor					
Direct Programs:					
17.002	Labor Force Statistics	\$ 996,503	\$ —	\$ —	
17.005	Compensation and Working Conditions	138,249	—	—	
Employment Service Cluster:					
17.207	Employment Service/Wagner-Peyser Funded Activities	11,956,943	—	—	
17.801	Jobs for Veterans State Grants	2,695,415	—	—	
Total Employment Service Cluster:		14,652,358	—	—	
17.225	Unemployment Insurance	193,891,628	—	—	2, 4
17.225	COVID-19 Unemployment Insurance	16,511,382	—	—	2, 4, 14
17.235	Senior Community Service Employment Program	1,276,539	—	1,174,663	
17.245	Trade Adjustment Assistance	1,013,808	—	281,164	
WIOA Cluster:					
17.258	WIOA Adult Program	11,298,196	—	10,887,469	2
17.259	WIOA Youth Activities	12,221,406	—	10,551,936	2
17.278	WIOA Dislocated Worker Formula Grants	13,463,264	—	10,929,755	2
Total WIOA Cluster:		36,982,866	—	32,369,160	
17.271	Work Opportunity Tax Credit Program (WOTC)	316,329	—	—	
17.273	Temporary Labor Certification for Foreign Workers	699,956	—	—	
17.277	WIOA National Dislocated Worker Grants / WIA National Emergency Grants	15,563,389	—	15,084,551	
17.285	Registered Apprenticeship	403,272	—	—	
17.503	Occupational Safety and Health State Program	3,428,199	—	—	
17.600	Mine Health and Safety Grants	357,679	—	—	
17.720	Disability Employment Policy Development	5,018,939	—	—	
Total U.S. Department of Labor		\$ 291,251,096	\$ —	\$ 48,909,538	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U.S. Department of Transportation					
Direct Programs:					
20.106	Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	\$ 2,856,377	\$ —	\$ —	
20.111	Aircraft Pilots Workforce Development Grant Program	497,880	—	—	
20.205	Highway Planning and Construction	1,036,996,810	—	25,159,385	2, 5
20.205	ARRA Highway Planning and Construction	343,626	—	—	2, 5, 14
20.205	COVID-19 Highway Planning and Construction	6,783,721	—	—	2, 5, 14
20.219	Recreational Trails Program	1,456,313	—	889,918	6
FMCSA Cluster:					
20.218	Motor Carrier Safety Assistance	5,312,660	—	148,531	
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	1,894,847	—	7,869	
	Total FMCSA Cluster:	7,207,507	—	156,400	
20.231	Performance and Registration Information Systems Management	453,655	—	—	
20.232	Commercial Driver's License Program Implementation Grant	282,972	—	—	
20.240	Fuel Tax Evasion-Intergovernmental Enforcement Effort	119,981	—	—	
Federal Transit Cluster:					
20.526	Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	3,353,993	—	3,353,993	
	Total Federal Transit Cluster:	3,353,993	—	3,353,993	
20.505	Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	695,351	—	695,351	
20.509	Formula Grants for Rural Areas and Tribal Transit Program	21,665,939	—	20,217,058	
20.509	COVID-19 Formula Grants for Rural Areas and Tribal Transit Program	6,541,502	—	6,541,502	14
Transit Services Programs Cluster:					
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities	1,277,591	—	1,277,591	
20.513	COVID-19 Enhanced Mobility of Seniors and Individuals with Disabilities	23,067	—	23,067	14
	Total Transit Services Programs Cluster:	1,300,658	—	1,300,658	
Highway Safety Cluster:					
20.600	State and Community Highway Safety	5,891,760	—	3,073,514	
20.616	National Priority Safety Programs	4,705,140	—	1,933,156	
	Total Highway Safety Cluster:	10,596,900	—	5,006,670	
20.614	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements	292,455	—	—	
20.700	Pipeline Safety Program State Base Grant	654,709	—	—	
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	130,318	—	—	
20.720	State Damage Prevention Program Grants	165,903	—	—	
20.721	PHMSA Pipeline Safety Program One Call Grant	42,582	—	—	
20.933	National Infrastructure Investments	2,940,400	—	1,137,381	
20.934	Nationally Significant Freight and Highway Projects	37,862,045	—	—	2
	Total U.S. Department of Transportation	\$ 1,143,241,597	\$ —	\$ 64,458,316	
U.S. Department of Treasury					
Direct Programs:					
21.023	COVID-19 Emergency Rental Assistance Program	\$ 1,057,117	\$ —	\$ 946,096	14
21.027	COVID-19 Coronavirus State And Local Fiscal Recovery Funds	162,957,869	—	108,991,962	2, 14
	Total U.S. Department of Treasury	\$ 164,014,986	\$ —	\$ 109,938,058	
U.S. Appalachian Regional Commission					
Direct Programs:					
23.001	Appalachian Regional Development (See individual Appalachian Programs)	\$ 18,791	\$ —	\$ 18,102	
23.002	Appalachian Area Development	2,524,573	—	2,161,584	
	Total U.S. Appalachian Regional Commission	\$ 2,543,364	\$ —	\$ 2,179,686	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U.S. Equal Employment Opportunity Commission					
Direct Programs:					
30.001	Employment Discrimination Title VII of the Civil Rights Act of 1964	\$ 59,777	\$ —	\$ —	
Total U.S. Equal Employment Opportunity Commission		\$ 59,777	\$ —	\$ —	
U.S. General Services Commission					
Direct Programs:					
38.006	State Appraiser Agency Support Grants	\$ 1,183	\$ —	\$ —	
39.003	Donation of Federal Surplus Personal Property	—	125,001	—	10
39.011	Election Reform Payments	422,435	—	—	12
Total U.S. General Services Commission		\$ 423,618	\$ 125,001	\$ —	
U.S. National Foundation for the Arts and the Humanities					
Direct Programs:					
45.025	Promotion of the Arts Partnership Agreements	\$ 1,930,470	\$ —	\$ 831,166	
45.310	Grants to States	2,880,319	—	—	
45.310	COVID-19 Grants to States	16,716	—	—	14
45.312	National Leadership Grants	14,225	—	—	
Total U.S. National Foundation for the Arts and the Humanities		\$ 4,841,730	\$ —	\$ 831,166	
U. S. Small Business Administration					
Direct Programs:					
59.061	State Trade Expansion	\$ 305,024	\$ —	\$ —	
Total U. S. Small Business Administration		\$ 305,024	\$ —	\$ —	
U.S. Department of Veteran Affairs					
Direct Programs:					
64.005	Grants to States for Construction of State Home Facilities	\$ 18,398,318	\$ —	\$ —	
64.015	Veterans State Nursing Home Care	30,243,298	—	—	
64.101	Burial Expenses Allowance for Veterans	947,622	—	—	
64.203	Veterans Cemetery Grants Program	516,333	—	—	
Total U.S. Department of Veteran Affairs		\$ 50,105,571	\$ —	\$ —	
U.S. Environmental Protection Agency					
Direct Programs:					
66.032	State Indoor Radon Grants	\$ 321,098	\$ —	\$ 161,747	
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	610,744	126,687	—	10
66.040	Diesel Emissions Reduction Act (DERA) State Grants	523,457	—	436,994	
66.204	Multipurpose Grants to States and Tribes	2,924	—	—	
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	181,893	—	12,028	
66.442	Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program	949,040	—	89,311	
66.444	Voluntary School and Child Care Lead Testing and Reduction Grant Program (SDWA 1464(d))	48,957	—	—	
66.447	Sewer Overflow and Stormwater Reuse Municipal Grant Program	17,009	—	—	
66.454	Water Quality Management Planning	12,512	—	—	
66.458	Clean Water State Revolving Fund	621,083	—	—	
66.468	Drinking Water State Revolving Fund	9,607,543	—	—	
66.485	Support for the Gulf Hypoxia Action Plan	540,149	—	10,277	
66.605	Performance Partnership Grants	10,686,644	186,227	1,132,466	10
66.708	Pollution Prevention Grants Program	154,381	—	—	
66.802	Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	249,373	—	—	
66.804	Underground Storage Tank (UST) Prevention, Detection, and Compliance Program	553,909	—	—	
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program	1,234,475	—	—	
66.809	Superfund State and Indian Tribe Core Program Cooperative Agreements	24,820	—	—	
66.817	State and Tribal Response Program Grants	509,764	—	—	
66.818	Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	104,113	—	79,371	
Total U.S. Environmental Protection Agency		\$ 26,953,888	\$ 312,914	\$ 1,922,194	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U. S. Department of Energy					
Direct Programs:					
81.041	State Energy Program	\$ 1,588,674	\$ —	\$ 484,717	
81.089	Fossil Energy Research and Development	4,587	—	—	
81.104	Environmental Remediation and Waste Processing and Disposal	894,600	—	—	
81.138	State Heating Oil and Propane Program	1,464	—	—	
Total U. S. Department of Energy		\$ 2,489,325	\$ —	\$ 484,717	
U.S. Department of Education					
Direct Programs:					
84.002	Adult Education - Basic Grants to States	\$ 11,590,403	\$ —	\$ 10,613,340	
84.010	Title I Grants to Local Educational Agencies	302,969,398	—	292,894,928	2
84.011	Migrant Education State Grant Program	8,581,103	—	8,113,790	
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth	1,565,126	—	1,020,955	
Special Education Cluster (IDEA):					
84.027	COVID-19 Special Education Grants to States	15,394,526	—	15,394,526	2, 14
84.027	Special Education Grants to States	195,436,088	—	191,644,140	2
84.173	COVID-19 Special Education Preschool Grants	2,552,110	—	2,552,110	2, 14
84.173	Special Education Preschool Grants	11,310,202	—	10,655,771	2
Total Special Education Cluster (IDEA):		224,692,926	—	220,246,547	
84.048	Career and Technical Education -- Basic Grants to States	21,971,467	—	18,470,727	
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	83,231,398	—	—	2
84.144	Migrant Education Coordination Program	58,608	—	—	
84.161	Rehabilitation Services Client Assistance Program	129,983	—	—	
84.177	Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	705,278	—	—	
84.181	Special Education-Grants for Infants and Families	10,326,343	—	—	
84.181	COVID-19 Special Education-Grants for Infants and Families	78,158	—	—	14
84.184	School Safely National Activities	626,030	—	253,629	
84.196	Education for Homeless Children and Youth	1,871,397	—	1,705,179	
84.215	Innovative Approaches to Literacy; Promise Neighborhoods; Full-Service Community Schools; and Congressionally Directed Spending for Elementary and Secondary Education Community Projects	10,958	—	—	
84.240	Program of Protection and Advocacy of Individual Rights	166,539	—	—	
84.287	Twenty-First Century Community Learning Centers	25,209,362	—	24,657,510	
84.323	Special Education - State Personnel Development	84,685	—	83,672	
84.325	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	398,494	—	394,816	
84.358	Rural Education	6,885,071	—	6,664,551	
84.365	English Language Acquisition State Grants	5,584,330	—	5,371,605	
84.367	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State	33,777,227	—	31,846,986	2
84.368	Competitive Grants for State Assessments	574,990	—	522,461	
84.369	Grants for State Assessments and Related Activities	7,491,141	—	—	
84.371	Comprehensive Literacy Development	6,209,487	—	6,048,354	
84.372	Statewide Longitudinal Data Systems	666,191	—	—	
84.421	Disability Innovation Fund (DIF)	252,593	—	—	
84.424	Student Support and Academic Enrichment Program	21,091,749	—	20,156,831	
84.425	COVID-19 Education Stabilization Fund	830,782,374	—	786,346,746	2, 14
84.U01	National Center for Education Statistics	166,426	—	—	15
Total U.S. Department of Education		\$ 1,607,749,235	\$ —	\$ 1,435,412,627	
U.S. National Archives and Records Administration					
Direct Programs:					
89.003	National Historical Publications and Records Grants	\$ 79,005	\$ —	\$ —	
Total U.S. National Archives and Records Administration		\$ 79,005	\$ —	\$ —	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U. S. Department of Health and Human Services					
Direct Programs:					
93.008	Medical Reserve Corps Small Grant Program	\$ 247,299	\$ —	\$ 97,870	
93.041	Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse,	68,861	—	68,861	
93.042	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services	242,301	—	238,585	
93.042	COVID-19 Special Programs for the Aging, Title VII, Chapter 2, Long Term Care	59,131	—	59,131	14
93.043	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion	559,273	—	355,568	
93.043	COVID-19 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health	144,847	—	144,847	14
Aging Cluster:					
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	8,714,271	—	8,076,094	
93.044	COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	2,659,707	—	2,535,956	14
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	10,884,176	—	10,558,939	
93.045	COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	5,811,913	—	5,810,713	14
93.053	Nutrition Services Incentive Program	1,616,721	—	1,616,721	
	Total Aging Cluster:	29,686,788	—	28,598,423	
93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	317,725	—	177,946	
93.048	COVID-19 Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	63,422	—	—	14
93.052	National Family Caregiver Support, Title III, Part E	2,777,524	—	2,724,316	
93.052	COVID-19 National Family Caregiver Support, Title III, Part E	689,194	—	735,803	14
93.069	Public Health Emergency Preparedness	9,793,414	—	5,246,914	
93.070	Environmental Public Health and Emergency Response	1,373,944	—	—	
93.070	COVID-19 Environmental Public Health and Emergency Response	118,890	—	34,990	14
93.071	Medicare Enrollment Assistance Program	540,396	—	461,444	
93.079	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	24,360	—	18,472	
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program	628,186	—	378,886	
93.103	Food and Drug Administration Research	933,670	—	—	
93.103	COVID-19 Food and Drug Administration Research	15,799	—	—	14
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	1,994,142	—	351,062	
93.110	Maternal and Child Health Federal Consolidated Programs	366,192	—	249,171	
93.110	COVID-19 Maternal and Child Health Federal Consolidated Programs	249,662	—	—	14
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	666,196	—	—	
93.127	Emergency Medical Services for Children	210,281	—	—	
93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	193,439	—	34,083	
93.136	Injury Prevention and Control Research and State and Community Based Programs	1,012,234	—	581,888	
93.138	Protection and Advocacy for Individuals with Mental Illness	490,654	—	—	
93.150	Projects for Assistance in Transition from Homelessness (PATH)	504,866	—	501,196	
93.197	Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	418,016	—	208,178	
93.217	Family Planning Services	5,429,089	—	3,179,388	
93.234	Traumatic Brain Injury State Demonstration Grant Program	83,067	—	—	
93.235	Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program	832,136	—	415,806	
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	6,502,833	—	2,605,378	7
93.243	COVID-19 Substance Abuse and Mental Health Services Projects of Regional and National Significance	3,351,815	—	2,403,032	14
93.251	Universal Newborn Hearing and Screening	245,318	—	—	
93.268	Immunization Cooperative Agreements	4,668,071	79,557,611	136,632	2, 10
93.268	COVID-19 Immunization Cooperative Agreements	9,226,518	—	5,818,200	2, 14
93.270	Viral Hepatitis Prevention and Control	514,695	—	—	
93.314	Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	35,607	—	—	
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	4,114,475	—	44,471	2
93.323	COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	66,543,309	—	19,773,278	2, 14
93.324	State Health Insurance Assistance Program	1,702,103	—	825,758	
93.324	COVID-19 State Health Insurance Assistance Program	63,422	—	—	14
93.334	The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and Caregiving at the State and Local Levels	108,404	—	—	
93.336	Behavioral Risk Factor Surveillance System	818,440	—	—	
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	202,279	—	35,984	
93.354	COVID-19 Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	10,418,544	—	1,761,481	14
93.367	Flexible Funding Model - Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs	117,961	—	—	
93.369	ACL Independent Living State Grants	589,827	—	538,895	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U. S. Department of Health and Human Services (Continued)					
Direct Programs (Continued):					
93.387	National and State Tobacco Control Program	1,689,493	—	—	
93.391	COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	20,215,309	—	16,441,135	14
93.426	The National Cardiovascular Health Program	1,738,778	—	—	
93.434	Every Student Succeeds Act/Preschool Development Grants	1,844,133	—	881,662	
93.435	The Innovative Cardiovascular Health Program	583,165	—	—	
93.439	State Physical Activity and Nutrition (SPAN)	930,873	—	—	
93.464	ACL Assistive Technology	460,871	—	—	
93.470	Alzheimer's Disease Program Initiative (ADPI)	247,629	—	74,843	
93.472	Title IV-E Prevention Program	20,717,528	—	9,750,472	
93.495	COVID-19 Community Health Workers for Public Health Response and Resilient	3,284,353	—	—	14
93.497	COVID-19 Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports	1,237,919	—	1,237,919	14
93.498	COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	2,046,900	—	—	14
93.504	Family-to-Family Health Information Centers	93,643	—	—	
93.556	MaryLee Allen Promoting Safe and Stable Families Program	3,890,928	—	2,177,796	
93.558	Temporary Assistance for Needy Families	224,091,761	—	23,058,017	2
93.558	COVID-19 Temporary Assistance for Needy Families	1,855,028	—	—	2, 14
93.563	Child Support Services	47,592,015	—	29,821,747	2
93.564	Child Support Services Research	209,049	—	—	7
93.568	Low-Income Home Energy Assistance	64,480,548	—	64,435,183	2
93.568	COVID-19 Low-Income Home Energy Assistance	2,245,470	—	2,194,823	2, 14
93.569	Community Services Block Grant	14,130,123	—	13,696,743	
93.570	Community Services Block Grant Discretionary Awards	75,260	—	19,334	
CCDF Cluster:					
93.575	Child Care and Development Block Grant	133,585,693	—	7,024,449	2
93.575	COVID-19 Child Care and Development Block Grant	271,117,252	—	2,062,984	2, 14
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	53,204,936	—	—	2
	Total CCDF Cluster:	457,907,881	—	9,087,433	
93.586	State Court Improvement Program	449,194	—	—	
93.590	Community-Based Child Abuse Prevention Grants	2,635,192	—	1,804,780	
93.590	COVID-19 Community-Based Child Abuse Prevention Grants	837,167	—	768,290	14
93.597	Grants to States for Access and Visitation Programs	68,830	—	—	
93.599	Chafee Education and Training Vouchers Program (ETV)	575,818	—	—	
Head Start Cluster:					
93.600	Head Start	210,703	—	—	
	Total Head Start Cluster:	210,703	—	—	
93.603	Adoption and Legal Guardianship Incentive Payments	587,196	—	463,496	
93.618	Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems	82,190	—	—	
93.630	Developmental Disabilities Basic Support and Advocacy Grants	1,757,228	—	768,281	
93.643	Children's Justice Grants to States	172,882	—	89,391	
93.645	Stephanie Tubbs Jones Child Welfare Services Program	4,457,001	—	—	
93.658	Foster Care Title IV-E	43,444,488	—	3,119,315	2
93.658	COVID-19 Foster Care Title IV-E	550,164	—	—	2, 14
93.659	Adoption Assistance	89,813,301	—	—	2
93.659	COVID-19 Adoption Assistance	1,236,599	—	—	2, 14
93.665	COVID-19 Emergency Grants to Address Mental and Substance Use Disorders During	60,576	—	35,078	14
93.667	Social Services Block Grant	22,472,131	—	15,940	
93.669	Child Abuse and Neglect State Grants	659,276	—	263,441	
93.669	COVID-19 Child Abuse and Neglect State Grants	658,787	—	658,787	14
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	2,152,105	—	2,148,943	
93.671	COVID-19 Family Violence Prevention and Services/Domestic Violence Shelter and	3,048,856	—	3,048,856	14
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood	4,883,439	—	1,888,035	
93.686	Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A	1,948,512	—	636,027	
93.698	COVID-19 Elder Justice Act – Adult Protective Services	236,152	—	177,513	14
93.747	COVID-19 Elder Abuse Prevention Interventions Program	921,060	—	543,329	14
93.767	Children's Health Insurance Program	398,063,238	—	—	2

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U. S. Department of Health and Human Services (Continued)					
Direct Programs (Continued):					
Medicaid Cluster:					
93.775	State Medicaid Fraud Control Units	3,544,423	—	—	2
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII)	11,955,873	—	—	2
93.777	COVID-19 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	175	—	—	2, 14
93.778	Medical Assistance Program	14,057,833,600	—	—	2, 7
93.778	COVID-19 Medical Assistance Program	88,997,601	—	—	2, 14
93.778	ARRA Medical Assistance Program	3,455	—	—	2, 13
	Total Medicaid Cluster:	14,162,335,127	—	—	
93.788	Opioid STR	34,019,580	—	4,530,134	2
93.791	Money Follows the Person Rebalancing Demonstration	1,551,210	—	—	
93.800	Organized Approaches to Increase Colorectal Cancer Screening	765,189	—	—	
93.843	ACL Assistive Technology State Grants for Protection and Advocacy	29,402	—	—	
93.870	Maternal, Infant and Early Childhood Homevisiting Grant Program	6,707,112	—	5,324,697	
93.870	COVID-19 Maternal, Infant and Early Childhood Homevisiting Grant Program	1,270,443	—	1,270,443	14
93.873	State Grants for Protection and Advocacy Services	46,940	—	—	
93.889	National Bioterrorism Hospital Preparedness Program	3,205,121	—	1,234,318	
93.889	COVID-19 National Bioterrorism Hospital Preparedness Program	49,541	—	49,541	14
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	2,730,677	—	582,704	
93.917	HIV Care Formula Grants	6,375,788	—	4,420,521	
93.940	HIV Prevention Activities Health Department Based	4,387,216	—	1,700,879	
93.946	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	1,145,303	—	—	
93.958	Block Grants for Community Mental Health Services	11,370,981	—	8,915,850	
93.958	COVID-19 Block Grants for Community Mental Health Services	8,073,287	—	6,877,158	14
93.959	Block Grants for Prevention and Treatment of Substance Abuse	20,865,052	—	18,155,813	2
93.959	COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	14,330,419	—	7,597,352	2, 14
93.967	COVID-19 Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	2,746,448	—	71,798	14
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants	568,310	462,330	—	10
93.977	COVID-19 Sexually Transmitted Diseases (STD) Prevention and Control Grants	1,659,925	—	—	14
93.981	Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools	370,367	—	220,234	
93.982	Mental Health Disaster Assistance and Emergency Mental Health	540,199	—	540,040	
93.988	Cooperative Agreements for Diabetes Control Programs	802,994	—	—	
93.991	Preventive Health and Health Services Block Grant	2,163,233	—	97,501	
93.994	Maternal and Child Health Services Block Grant to the States	12,312,906	—	559,895	
93.997	Assisted Outpatient Treatment	1,048,757	—	919,343	
93.U01	Other Federal Assistance	14,596	—	—	15
93.U02	Medicare Nursing Home Care	918,209	—	—	15
93.U03	Kentucky Compliance & Enforcement Tobacco Retail Inspections	630,131	—	—	15
	Total U. S. Department of Health and Human Services	\$ 15,926,543,824	\$ 80,019,941	\$ 331,180,767	
U.S. Corporation for National and Community Service					
Direct Programs:					
94.003	AmeriCorps State Commissions Support Grant	\$ 291,618	\$ —	\$ —	
94.006	AmeriCorps State and National 94.006	8,358,303	—	8,007,341	
94.006	COVID-19 AmeriCorps State and National 94.006	2,633,371	—	2,482,745	14
94.008	AmeriCorps Commission Investment Fund 94.008	167,438	—	—	
94.013	AmeriCorps Volunteers In Service to America 94.013	—	58,172	—	10
94.013	COVID-19 AmeriCorps Volunteers In Service to America 94.013	55,000	—	—	14
94.021	AmeriCorps Volunteer Generation Fund 94.021	131,326	—	28,497	
	Total U.S. Corporation for National and Community Service	\$ 11,637,056	\$ 58,172	\$ 10,518,583	
U.S. Office of National Drug Control Policy					
Direct Programs:					
95.001	High Intensity Drug Trafficking Areas Program	\$ 1,292,291	\$ —	\$ —	
	Total U.S. Office of National Drug Control Policy	\$ 1,292,291	\$ —	\$ —	
U.S. Social Security Administration					
Direct Programs:					
Disability Insurance /SSI Cluster:					
96.001	Social Security Disability Insurance	\$ 66,823,464	\$ —	\$ —	2
	Total Disability Insurance /SSI Cluster:	66,823,464	—	—	
96.009	Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	676,795	—	—	
	Total U.S. Social Security Administration	\$ 67,500,259	\$ —	\$ —	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

ALN	Program Title	Expenditures		Provided to Subrecipient	Note(s)
		Cash	Noncash		
U.S. Department of Homeland Security					
Direct Programs:					
97.008	Non-Profit Security Program	\$ 220,805	\$ —	\$ 209,660	
97.012	Boating Safety Financial Assistance	1,595,417	—	—	
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)	494,177	—	—	
97.029	Flood Mitigation Assistance	2,238,368	—	2,238,368	
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	348,622,937	—	179,632,506	2
97.039	Hazard Mitigation Grant	4,632,163	—	4,592,525	
97.040	Chemical Stockpile Emergency Preparedness Program	24,823,111	—	19,304,983	
97.041	National Dam Safety Program	182,745	—	—	
97.042	Emergency Management Performance Grants	6,318,836	—	3,114,824	
97.045	Cooperating Technical Partners	3,780,772	—	—	
97.047	BRIC: Building Resilient Infrastructure and Communities	798,117	—	798,117	
97.048	Federal Disaster Assistance to Individuals and Households in Presidential Declared Disaster	1,505,778	—	1,440,317	
97.056	Port Security Grant Program	44,943	—	—	
97.067	Homeland Security Grant Program	4,564,973	—	3,046,788	
97.082	Earthquake State Assistance	37,884	—	34,208	
97.088	Disaster Assistance Projects	1,363,573	—	—	
97.137	State and Local Cybersecurity Grant Program	1,026,148	—	326,561	
97.U01	Other Federal Assistance (HSI)	17,992	—	—	15
Total U.S. Department of Homeland Security		\$ 402,268,739	\$ —	\$ 214,738,857	
Total All State Agencies		\$ 20,758,477,226	\$ 1,434,393,476	\$ 2,939,643,462	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Note 1 - Basis of Presentation and Significant Accounting Policies

Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards (the Schedule) is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule includes the federal award activity of the Commonwealth, except those programs administered by state universities and other discretely presented component units, for the year ended June 30, 2024. Because the Schedule presents only a selected portion of the operations of the Commonwealth, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Commonwealth.

Significant Accounting Policies - Expenditures reported on the Schedule are presented on the cash basis of accounting as modified by the application of Kentucky Revised Statute (KRS) 45.229.

KRS 45.229 provides that the Finance and Administration Cabinet may, “for a period of thirty (30) days after the close of any fiscal year, draw warrants against the available balances of appropriations made for that fiscal year, for the payment of expenditures incurred during that year or in fulfillment of contracts properly made during the year, but for no other purpose.” However, there is an exception to the application of KRS 45.229 in that regular payroll expenses incurred during the final pay period of the fiscal year are charged to the next year.

All federal award expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Commonwealth has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

The basic financial statements of the Commonwealth are presented on the modified accrual basis of accounting for the governmental fund financial statements and the accrual basis of accounting for the government-wide, proprietary, and fiduciary fund financial statements.

Noncash assistance programs are not reported in the basic financial statements of the Commonwealth for FY 2024. The noncash expenditures presented on the Schedule represent the noncash assistance expended using the method or basis of valuation described in Note 10.

**COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Note 1 - Basis of Presentation and Significant Accounting Policies (Continued)

Clusters of programs are indicated on the Schedule by light gray shading.

Programs that do not have an Assistance Listing Number (ALN) are identified using the two-digit federal identifier prefix, the letter "U" for Unknown, and a preassigned two-digit number. Additional identifying factors used by the Commonwealth are described in Note 15.

Inter-Agency Activity - Certain transactions relating to federal financial assistance may appear in the records of more than one (1) state agency. To avoid the overstatement of federal expenditures, the following policies were adopted for the presentation of the schedule:

(a) Federal funds may be received by a state agency and passed through to another state agency where the moneys are expended. Except for pass-through to state universities and discretely presented component units, as discussed below, this inter-agency transfer activity is reported by the agency expending the moneys.

State agencies that pass federal funds to state universities and discretely presented component units report those amounts as expenditures.

(b) Federal funds received by a state agency and used to purchase goods or services from another state agency are reported in the schedule as expenditures by the purchasing agency only.

Note 2 - Type A Programs

Type A programs for the Commonwealth mean any program for which total expenditures of federal awards exceeded \$33,289,306 for FY 2024. The Commonwealth had the following programs (cash and noncash) that met the Type A program definition for FY 2024, some of which were administered by more than one (1) state agency. Certain component units and agencies audited by public accounting firms had lower dollar thresholds. The Commonwealth identified clusters among the Type A programs by gray shading. These Type A programs and clusters were:

ALN	Program Title	Expenditures
10.542	COVID-19 Pandemic EBT Food Benefits	73,358,200
Supplemental Nutrition Assistance Program Cluster		
10.551	Supplemental Nutrition Assistance Program	1,201,670,442
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	116,295,973
10.561	COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	4,989,729

**COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Note 2 - Type A Programs (Continued)

ALN	Program Title	Expenditures
Child Nutrition Cluster		
10.553	School Breakfast Program	123,307,274
10.555	National School Lunch Program	326,270,781
10.555	COVID-19 National School Lunch Program	19,911,268
10.556	Special Milk Program for Children	17,311
10.559	Summer Food Service Program for Children	22,415,191
10.582	Fresh Fruit and Vegetable Program	4,118,852
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	132,539,136
10.557	COVID-19 WIC Special Supplemental Nutrition Program for Women, Infants, and Children	127,818
10.558	Child and Adult Care Food Program	57,955,468
Food Distribution Cluster		
10.565	Commodity Supplemental Food Program	16,341,755
10.568	Emergency Food Assistance Program (Administrative Costs)	3,394,587
10.569	Emergency Food Assistance Program (Food Commodities)	37,119,559
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	38,382,579
15.252	Abandoned Mine Land Reclamation (AMLR)	41,357,880
17.225	Unemployment Insurance	193,891,628
17.225	COVID-19 Unemployment Insurance	16,511,382
WIOA Cluster		
17.258	WIOA Adult Program	11,298,196
17.259	WIOA Youth Activities	12,221,406
17.278	WIOA Dislocated Worker Formula Grants	13,463,264
20.205	Highway Planning and Construction	1,036,996,810
20.205	ARRA Highway Planning and Construction	343,626
20.205	COVID-19 Highway Planning and Construction	6,783,721
20.934	Nationally Significant Freight and Highway Projects	37,862,045
21.027	COVID-19 Coronavirus State And Local Fiscal Recovery Funds	162,957,869
84.010	Title I Grants to Local Educational Agencies	302,969,398
Special Education Cluster (IDEA)		
84.027	Special Education Grants to States	195,436,088
84.027	COVID-19 Special Education Grants to States	15,394,526
84.173	Special Education Preschool Grants	11,310,202
84.173	COVID-19 Special Education Preschool Grants	2,552,110

**COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Note 2 - Type A Programs (Continued)

ALN	Program Title	Expenditures
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States	83,231,398
84.367	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	33,777,227
84.425	COVID-19 Education Stabilization Fund	830,782,374
93.268	Immunization Cooperative Agreements	84,225,682
93.268	COVID-19 Immunization Cooperative Agreements	9,226,517
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	4,114,475
93.323	COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	66,543,309
93.558	Temporary Assistance for Needy Families	224,091,761
93.558	COVID-19 Temporary Assistance for Needy Families	1,855,028
93.563	Child Support Enforcement	47,592,015
93.568	Low-Income Home Energy Assistance	64,480,548
93.568	COVID-19 Low-Income Home Energy Assistance	2,245,470
CCDF Cluster		
93.575	Child Care and Development Block Grant	133,585,693
93.575	COVID-19 Child Care and Development Block Grant	271,117,252
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	53,204,936
93.658	Foster Care Title IV-E	43,444,488
93.658	COVID-19 Foster Care Title IV-E	550,164
93.659	Adoption Assistance	89,813,301
93.659	COVID-19 Adoption Assistance	1,236,599
93.767	Children's Health Insurance Program	398,063,238
Medicaid Cluster		
93.775	State Medicaid Fraud Control Units	3,544,423
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	11,955,873
93.777	COVID-19 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	175
93.778	Medical Assistance Program	14,057,833,600
93.778	ARRA Medical Assistance Program	3,455
93.778	COVID-19 Medical Assistance Program	88,997,601
93.788	Opioid STR	34,019,580
93.959	Block Grants for Prevention and Treatment of Substance Abuse	20,865,052
93.959	COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	14,330,419
Disability Insurance/Supplemental Security Income Cluster		
96.001	Social Security Disability Insurance	66,823,464
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	348,622,937
Total Type A Programs		\$ 21,329,744,128

**COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Note 3 - Federally Assisted Loan Program (ALN 10.U01)

The Kentucky Rural Rehabilitation Student Loan Program was initially awarded \$672,629 in 1970 by the U.S. Farmers Home Administration. Since 1970, the program has operated on interest from student loans outstanding and on income from investments administered by the Office of Financial Management. The Department of Agriculture is no longer in the business of making student loans and reassigned all loans in payment compliance to the Kentucky Higher Education Assistance Authority (KHEAA). The Department of Agriculture retained only those loans that had a delinquent payment history. This program is currently in phase-out status, with authorization from the U.S. Department of Agriculture (USDA) to eliminate the principal through issuance of specific grants and scholarships.

All outstanding loans have been classified as contingent uncollectible liabilities; however, if loan payments are received, they are directly deposited into the principal account. As of June 30, 2024, outstanding student loans totaled \$64,466. There were no new grants or scholarships authorized by the USDA in FY 2024.

Note 4 - Unemployment Insurance (ALN 17.225)

The expenditures presented in the SEFA for Unemployment Insurance (ALN 17.225) are further identified as Benefits or Administrative Costs in the table below:

ALN	Program Title	Benefits	Administrative Costs	Total Expenditures
17.225	Unemployment Insurance	\$ 158,502,065	\$ 35,389,563	\$ 193,891,628
17.225	COVID-19 Unemployment Insurance	5,417,818	11,093,564	16,511,382
	Total	\$ 163,919,883	\$ 46,483,127	\$ 210,403,010

Note 5 - Highway Planning and Construction (ALN 20.205)

The information reported for the Highway Planning and Construction program represents the activity of all open projects during FY 2024. These projects were funded from several appropriations. Appropriations refer to a federal, statutorily prescribed division or assignment of funds. The expenditures reflected on the schedule include expenditures for advance construction projects, which are not yet under agreements with the Federal Highway Administration. Expenditures for the Highway Planning and Construction Program were shown, net of any refunds, resulting from a reimbursement of prior or current year expenditures. Refunds totaled \$651,246 for FY 2024.

COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)

Note 6 - Outdoor Recreation Acquisition, Development and Planning (ALN 15.916) and Recreational Trails Program (ALN 20.219)

Administrative costs are shown as expended when received from the federal government. These costs are recovered through a negotiated, fixed indirect cost rate. Any over or under recovery will be recouped in the future.

Note 7 - Research and Development Expenditures

Title 2 U.S. Code of Federal Regulations Part 200.1 states, "Research and development (R&D) means all basic and applied research activities performed by a recipient or subrecipient." The expenditures presented in the SEFA include R&D expenditures.

The R&D portions of the expenditures for each program are listed below:

<u>ALN</u>	<u>Program Title</u>	<u>State Agency</u>	<u>Expenditures</u>
15.069	Zoonotic Disease Initiative	F&W	133,109
15.605	Sport Fish Restoration	F&W	606,100
15.608	Fish and Wildlife Management Assistance	F&W	2,209,019
15.611	Wildlife Restoration and Basic Hunter Education and Safety	F&W	1,815,464
15.615	Cooperative Endangered Species Conservation Fund	F&W	293,179
15.634	State Wildlife Grants	F&W	702,342
15.684	White-nose Syndrome National Response Implementation	F&W	40,000
16.585	Drug Court Discretionary Grant Program	AOC	106,077
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	AOC	242,202
93.564	Child Support Enforcement Research	CHFS	204,883
93.778	Medical Assistance Program	CHFS	1,205,146
Total Research and Development Expenditures			<u>\$ 7,557,521</u>

**COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Note 8 - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (ALN 14.228)

The Commonwealth matches the federal portion of administration dollar for dollar. Cash expenditures include the federal portion of administration.

Note 9 - Wildlife Restoration and Basic Hunter Education (ALN 15.611)

The Department of Fish and Wildlife Resources leases properties from the U.S. Army Corp of Engineers for Condition Three and Condition Five Projects. These projects stipulate that the properties leased be managed for wildlife purposes and may produce income. The leases for wildlife management rights on these properties are non-monetary. The Department of Fish and Wildlife Resources currently leases the following properties:

Barren River	Birdsville Island
Green River	Lake Cumberland
Dewey Lake	Paintsville Lake
Fishtrap Lake	Taylorville Lake
Barlow Bottoms-Olmstead	Sloughs-Grassy Pond

Any expenditure in excess of revenue from each property listed above will be eligible for reimbursement under the Wildlife Restoration and Basic Hunter Education grant (ALN 15.611) from the U.S. Department of the Interior. The properties listed above are not reimbursed with federal funds if the grant has already been expended to manage other wildlife properties.

Note 10 - Noncash Expenditure Programs

The Commonwealth's noncash programs and a description of the method/basis of valuation for FY 2024 are as follows:

ALN	Program Title	Method/Basis of Valuation	Amount
10.542	COVID-19 Pandemic EBT Food Benefits	EBT Issuance	73,358,200
10.551	Supplemental Nutrition Assistance Program	EBT Issuance	1,201,670,442
10.555	National School Lunch Program	Commodities issued for FY 2023 per WBSCM Report	28,316,189
10.565	Commodity Supplemental Food Program	Commodities issued for FY 2023 per WBSCM Report	13,168,996
10.569	Emergency Food Assistance Program (Food Commodities)	Commodities issued for FY 2023 per WBSCM Report	37,116,609

**COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Note 10 - Noncash Expenditure Programs (Continued)

ALN	Program Title	Method/Basis of Valuation	Amount
10.652	Forestry Research	Determined by Federal Government	247,012
39.003	Donation of Federal Surplus Personal Property	Valued by Federal Government Donor	125,001
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	EPA contracts with Eastern Research Group for sample analysis	126,687
66.605	Performance Partnership Grants	In-kind services valued by the donor, the U.S. Environmental Protection Agency	186,227
93.268	Immunization Cooperative Agreements	Program Staff	79,557,611
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants	CDC Report	462,330
94.013	AmeriCorps Volunteers In Service to America	Actual Payments reported federal AmeriCorps agency	58,172
Total Noncash Expenditures			\$ 1,434,393,476

Note 11 - Activity Occurring in Programs with Inventoriable Items

In prior years, Kentucky Department of Agriculture operated a warehouse of inventoriable items for the Commodity Supplemental Food Program (ALN 10.565). The Commonwealth no longer maintains warehouse space or stores non-cash food commodity items as those items are shipped to food banks directly from food commodity distributors.

Note 12 - Election Reform Payments (ALN 39.011)

Interest earned must be used for additional program expenditures.

**COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Note 13 - Pertaining to American Recovery and Reinvestment Act (ARRA)

In order to identify ARRA funds on the Schedule of Expenditures of Federal Awards, the prefix “ARRA” will precede the Program Title on the Grantor Schedule.

Note 14 - Pertaining to Novel Coronavirus Pandemic Relief

To identify COVID-19 funds on the Schedule of Expenditures of Federal Awards, the prefix COVID-19 will precede the Program Title on the Grantor Schedule. The following list identifies the various federal acts the Commonwealth received COVID-19 funding from:

ARPA: American Rescue Plan Act

CARES: Coronavirus Aid, Relief, and Economic Security Act

CPRSA: Coronavirus Preparedness and Response Supplemental Appropriations Act

CRRSA: Coronavirus Response Relief Supplemental Appropriations Act

FFCRA: Families First Coronavirus Response Act

PPP: Paycheck Protection Program and Health Care Enhancement Act

Note 15 - Unknown Assistance Listing Number (ALN)

When a federal program has been awarded to the Commonwealth with an unknown ALN number, the items discussed in Note 1 - *Significant Accounting Policies* are used to prepare the Schedule. The Commonwealth also uses other identifiers such as the major program, program, and function codes as established through grant accounting. Expenditures made during FY 2024 that were associated with unknown ALN numbers are listed below:

**COMMONWEALTH OF KENTUCKY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Note 15 - Unknown Assistance Listing Number (ALN) (Continued)

ALN	Program Title	Agency	Award Identifier	Expenditures
12.U01	Chemical Demilitarization and Remediation Activity for Hazardous Waste Activities at Chemical Demilitarization Facilities	EEC	ACWPRG-04-BBB0	1,691,280
16.U01	Drug Enforcement Administration	KSP	MULTIPLE	2,436,509
16.U02	Federal Bureau of Investigation	KSP	MULTIPLE	45,429
16.U03	Bureau of Alcohol, Tobacco, Firearms & Explosives (ATF) Program	KSP	MOA# 19-LOU-168-AFF MOA# 20-LOU-168-AFF	28,556
16.U04	District Fugitive Task Force	KSP	MOU	7,636
16.U06	United States Postal Inspection Service (USPIS) Task Force	KSP	MOU	18,408
84.U01	National Center for Education Statistics	EDU	91990020C0043	166,426
93.U01	Other Federal Assistance	KSP	2019-CIO-715-0457 2020-CIO-715-0457	14,596
93.U02	Medicare Nursing Home Care	VA	KY-074-1324-DA00-R604	918,209
93.U03	Kentucky Compliance & Enforcement Tobacco Retail Inspections	PPC	FDAPRG-FDA00-19-BB00/BG00	630,131
97.U01	Other Federal Assistance	KSP	Other Federal Assistance	17,992
Total				<u>\$ 5,975,172</u>

**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***



ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

Independent Auditor's Report

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

Honorable Andy Beshear, Governor
Cabinet Secretaries and Agency Heads
Members of the Commonwealth of Kentucky General Assembly

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Commonwealth of Kentucky as of and for the Fiscal Year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commonwealth's basic financial statements, and have issued our report thereon dated January 24, 2025. Our report includes a reference to other auditors who audited the financial statements of certain component units and funds, as listed in our report on the Commonwealth's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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



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
(Continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of financial statement findings, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies described in the accompanying schedule of financial statement findings to be material weaknesses: 2024-001 through 2024-005.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies described in the accompanying schedule of financial statement findings to be significant deficiencies: 2024-006 through 2024-010.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commonwealth's 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 would be required to be reported under *Governmental Auditing Standards*.

Commonwealth's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Commonwealth's response to the findings identified in our audit and described in the accompanying schedule of financial statement findings. The Commonwealth's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
(Continued)

Purpose of this Report

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

Respectfully Submitted,

Allison Ball

Allison Ball

Auditor of Public Accounts

Frankfort, Kentucky

January 24, 2025

FINANCIAL STATEMENT FINDINGS

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-001: The Finance And Administration Cabinet Failed To Ensure The Kentucky Horse Park Fixed Asset Beginning Balances Were Accurate

Condition and Context

The Finance and Administration Cabinet (FAC) uses a Fixed Asset (FA) database and associated worksheets to calculate the capital asset balances, changes, and associated depreciation expense and accumulated depreciation amounts to be presented in the financial statements. The beginning balances for the Kentucky Horse Park (KHP) assets within this database were inaccurate and did not agree with the prior year reported ending balances. The reported beginning balance for buildings was understated by \$1,118,526 while construction in progress was overstated by \$155,000. FAC failed to implement adequate internal controls to validate beginning balances and ensure the completeness and accuracy of data utilized in compiling the financial statements.

Cause

As the fiscal year 2023 financial statements were being compiled, two manual adjustments were made; however, these changes were not applied to the FA database which is the primary source for capital asset tracking and reporting. FAC failed to properly track and account for prior year manual adjustments and update accounting records appropriately during the fiscal year 2024 compilation.

Effect

Failure to accurately report and account for all capital assets and related activity would have led to substantial misstatements on KHP's financial statements if undetected. Inaccuracies in the measurement, recognition, and presentation of financial activity could negatively impact users of the financial statements or management decisions. In addition to the misstatements identified in the condition, depreciation expense and accumulated depreciation would have also been understated by \$44,833 and \$45,935, respectively.

Criteria

GASB codification section 1400.102 states:

Capital assets should be reported at historical cost. The cost of a capital asset should include ancillary charges necessary to place the asset into its intended location and condition for use. Ancillary charges include costs that are directly attributable to asset acquisition—such as freight and transportation charges, site preparation costs, and professional fees. Interest cost incurred before the end of a construction period should not be capitalized as part of the asset's historical cost. Donated capital assets should be reported at their acquisition value plus ancillary charges, if any.

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-001: The Finance And Administration Cabinet Failed To Ensure The Kentucky Horse Park Fixed Asset Beginning Balances Were Accurate (Continued)

Criteria (Continued)

Concepts Statement No.1 of the Accounting Standards Board, Objectives of Financial Reporting (GASBCS 1, paragraph 64, states, “Financial reporting should be reliable; that is, the information presented should be verifiable and free from bias and should faithfully represent what it purports to represent. To be reliable, financial reporting needs to be comprehensive.” The maintenance of an accurate FA database is a basic control necessary to ensure the accuracy and reliability of financial reports.

Recommendation

We recommend FAC strengthen internal controls to ensure the FA database is complete and accurate. Policies and procedures should be developed to validate that beginning balances agree or reconcile to the prior year ending balances. Manual adjustments should be properly tracked and accounted for in subsequent reporting periods when necessary.

Management’s Response and Planned Corrective Action

FAC agrees with the finding.

The Assistant Controller will verify that adjustments which occur after the fixed asset database has been updated are properly entered into eMARS and that the fixed asset database is synced with the new data in eMARS. Workpapers will be prepared to tie out changes. These steps have already occurred for this error.

FAC will discuss the above requirement with the Fixed Asset Accountant, noting that this requirement will apply for any future adjustments that occur after the fixed asset database has been updated. For example, if there are audit adjustments that affect fixed assets, then eMARS will need to be updated, the fixed asset database synced, and the workpapers updated to tie out changes. Therefore, the steps for any adjustments (audit adjustments or financial statement adjustments) that occur after the database has been updated will be as follows:

- *Enter adjustment into eMARS fixed asset module,*
- *Resync fixed asset database pulling in corrected data,*
- *Enter correcting JV to reflect adjustment to fixed asset module,*
- *Prepare corrected workpaper showing revised information,*

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-001: The Finance And Administration Cabinet Failed To Ensure The Kentucky Horse Park Fixed Asset Beginning Balances Were Accurate (Continued)

Management's Response and Planned Corrective Action (Continued)

- *Verify that the change properly flows through to the financial statements. Note: This is mostly automated, however, verification/re-review of financial statements will need to occur.*
- *Update financial statement notes, as necessary.*

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-002: Capital Project Accounts Payable Activity Was Not Properly Accounted For Or Recorded In The Commonwealth's Financial Statements

Condition and Context

The Finance and Administration Cabinet (FAC) mandates all Commonwealth agencies prepare a closing package at fiscal year-end to ensure accurate and complete financial reporting. During the review of journal entries and supporting documentation for accounts payables reported in the Capital Projects Fund, significant misstatements were identified, which included the following:

- \$9,439,416 in accounts payable activity pertaining to component units of the Commonwealth was incorrectly recorded in the Capital Projects Fund. This activity should not have been recorded in the Capital Projects Fund, as activity for discretely presented component units are removed from reporting on the Primary Government Financial Statements.
- \$5,357,124 in accounts payable activity pertaining to the Property Management Internal Service Fund was incorrectly recorded in the Capital Projects Fund.
- \$2,218,040 in accounts payable activity pertaining to the Kentucky Horse Park Fund was incorrectly recorded in the Capital Projects Fund.
- \$1,365,098 in accounts payable activity pertaining to the State Parks Fund was incorrectly recorded in the Capital Projects Fund.
- An accounts payable totaling \$161,327 was identified that was not recognized nor recorded within the Kentucky Horse Park Fund.

In addition to misstatements in the reported accounts payable activity identified above, the Kentucky Horse Park Fund and the State Parks Fund activity was not evaluated to determine if any of these transactions were required to be capitalized instead of expensed in accordance with the Commonwealth's capitalization policy. Further evaluation completed by the FAC identified additional adjustments were necessary to capitalize some of this activity in the amount of \$2,109,540 for the Kentucky Horse Park Fund and \$695,273 for the State Parks Fund.

Cause

Internal controls over the preparation of agency closing packages, as well as the oversight and review of year-end journal entries, failed to detect material misstatements in the identification and reporting of accounts payable activity. Additionally, the identification of activity that is required to be removed or adjusted in the financial statements for component units, proprietary funds, and internal service funds occurs early in the compilation process. Internal controls failed to ensure financial activity recorded based on agency submitted closing packages occurring later during the compilation process was consistently applied.

Effect

The misclassification of accounts payable resulted in inaccurate financial reporting, including material misstatements in the Capital Projects Fund and Kentucky Horse Park Fund, which were misstated by \$18,379,678 and \$2,379,367 respectively. This compromises the integrity of the Commonwealth's financial statements, potentially leading to incorrect information being provided to users of the financial

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-002: Capital Project Accounts Payable Activity Was Not Properly Accounted For Or Recorded In The Commonwealth's Financial Statements (Continued)

Effect (Continued)

statements. Additionally, the errors could negatively impact management decisions and create inefficiencies in financial operations.

Criteria

The Governmental Accounting Standards Board's (GASB) Codification of Governmental and Financial and Reporting Standards, Section 1100.101, provides that a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions. This requires the financial statements to agree with and to be supported by the underlying records to enable accurate financial statements to be prepared. Reconciliation of financial reports to supporting records is a basic internal control necessary to ensure complete, accurate financial reporting.

In accordance with GASB pronouncements, financial reporting for state and local governments must ensure that transactions are recognized in the appropriate funds to reflect their true nature and purpose. Additionally, Generally Accepted Accounting Principles (GAAP) require accurate classification of accounts payable and other liabilities to ensure the reliability and completeness of financial statements. Proper fund accounting is essential for transparency, compliance, and the accurate presentation of financial position and results of operations.

GASB Codification section 1400.104 further identifies, "Capital assets should be depreciated over their estimated useful lives unless they are inexhaustible, are intangible assets with indefinite useful lives as described in paragraph .141 or are infrastructure assets reported using the modified approach in paragraphs .105-.107."

Activity pertaining to repairs and maintenance retain value rather than provide additional value, and as a result, should be expensed in the period incurred.

Recommendation

We recommend the Commonwealth strengthen internal controls to ensure the financial statements are complete and accurate in accordance with the financial reporting framework established by GASB. This finding involves activity and information that pertains to several agencies within the Commonwealth, including but not limited to personnel with oversight responsibilities with capital projects, proprietary fund activity, and financial statement preparation. As a result, we recommend the Office of the Controller help coordinate further discussions and open communication to ensure all impacted entities are well informed of their specific roles and reporting responsibilities.

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-002: Capital Project Accounts Payable Activity Was Not Properly Accounted For Or Recorded In The Commonwealth's Financial Statements (Continued)

Recommendation (Continued)

Based on a history of errors identified with the closing package process, additional training should be provided to all state agencies on the preparation of the closing package to ensure roles and responsibilities are clearly defined. Training should include an increased focus on the specific financial reporting requirements per GASB and GAAP, including capitalization requirements.

Management's Response and Planned Corrective Action

We agree with the auditor's findings and appreciate the thorough review and recommendations provided. Once the errors were identified, immediate corrective actions were taken to address the misstatements in the accounts payable activity. Specifically:

- *The \$9,439,416 in accounts payable activity pertaining to component units, the \$5,357,124 related to the Property Management Internal Service Fund, the \$2,218,040 pertaining to the Kentucky Horse Park Fund, and the \$1,365,098 related to the State Parks Fund were promptly reclassified to their appropriate funds.*
- *The \$161,327 accounts payable omission within the Kentucky Horse Park Fund was corrected and recognized in the financial statements.*
- *Adjustments were made to capitalize the amounts of \$2,109,540 and \$695,273 for the Kentucky Horse Park Fund and State Parks Fund, respectively, in compliance with the Commonwealth's capitalization policy.*

We acknowledge that internal controls were not sufficient to prevent these misstatements. To address this, we have already begun strengthening internal controls by:

1. *Enhancing the oversight and review process for agency closing packages and related journal entries.*
2. *Implementing additional training for all relevant personnel to ensure a comprehensive understanding of GASB and GAAP requirements, including proper classification of accounts payable and capitalization criteria.*
3. *Establishing clearer communication protocols between agencies to ensure consistent application of financial reporting standards throughout the compilation process.*

The Office of the Controller is committed to collaborating with all agencies of the Commonwealth to improve communication and define roles and responsibilities more effectively across all impacted entities. These measures will ensure the accuracy and transparency of our financial statements and prevent similar issues in the future.

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-003: The Kentucky Horse Park Failed To Identify All Accounts Receivable Activity Necessary For Accurate Financial Reporting

Condition and Context

The Kentucky Horse Park (KHP) identifies accounts receivable and unearned revenue in a closing package, which is year-end financial information submitted to the Finance and Administration Cabinet (FAC) for inclusion in the Commonwealth's Annual Comprehensive Financial Report (ACFR). During the review of receipts and the fiscal year 2024 closing package, the following exceptions were identified:

- Revenues collected in fiscal year 2024 totaling \$937,636 were not properly recorded as accounts receivable on KHP's prior year closing package.
- KHP failed to identify and account for \$496,266 of activity as accounts receivable on the fiscal year 2024 closing package.
- Unearned revenue was overstated by \$98,858 on KHP's fiscal year 2024 closing package as it incorrectly included activity where the cash had not been received.

Cause

KHP failed to implement adequate internal controls to ensure the submitted closing package was complete, accurate, and properly accounted for all financial activity. Additionally, FAC requires agencies submit a closing package in August. For larger events hosted by KHP towards the end of the fiscal year, final invoiced amounts are often not known until after submission of the closing package. KHP was unaware they should evaluate and resubmit updated information to FAC as additional accounts receivables were identified.

Effect

Failure to accurately report and account for all activity on the year-end closing package would have led to substantial misstatements on KHP's financial statements if undetected. Inaccuracies in the measurement, recognition, and presentation of financial activity could negatively impact users of the financial statements or management decisions.

Criteria

In accordance with 200 KAR 38:070, Internal controls and pre-audit, each agency is responsible to develop and document internal controls to both prevent and detect abuse, unintentional errors, and the fraudulent disbursement of funds or use of state assets. Additionally, agency personnel shall implement the internal controls and monitor their effectiveness.

The Governmental Accounting Standards Board (GASB) requires proprietary funds to use the full accrual basis of accounting, recognizing revenues and expenses when they occur, regardless of the timing of the cash flows.

FINANCIAL STATEMENT FINDINGS***Material Weaknesses Relating to Internal Controls and/or Noncompliances*****FINDING 2024-003: The Kentucky Horse Park Failed To Identify All Accounts Receivable Activity Necessary For Accurate Financial Reporting (Continued)**

Criteria (Continued)

FAC Closing Package Instructions pertaining to revenue recognition states,

Charges for services are revenues from whatever goods or services the fund provides in the normal course of business.

Base the recognition of this revenue on provided goods or services, as of June 30, for which monies have not been received. This includes items not billed, as well as those that have been billed but remain unpaid.

Monies received in advance of the goods or service being provided shall be recorded as unearned revenue on form AFR-32.

Recommendation

We recommend KHP strengthen internal controls to ensure accounts receivable and unearned revenue information reported to FAC is complete and accurate on the year-end closing package.

Management's Response and Planned Corrective Action

The Kentucky Horse Park has internal controls in place to ensure that all data being reported on the closing package is accurate and correct to the best of our knowledge. It has been the practice of the Kentucky Horse Park to close the books for the prior fiscal year the date of the hard close, which is set by the Finance Cabinet. There have been no prior audit findings with this practice.

As of June 30th, several June events were not finalized until after the hard close date; therefore, they were not considered a receivable and not included on the AR report submitted. Based on the finding noted above and this new guidance, our books for prior fiscal year will remain open until all prior year events have been finalized.

For the finding regarding unearned revenue, an audit finding in FY23 noted that the unearned revenue amount listed did not include the last two weeks of June Reserve America, even though the Horse Park had not received the payment for this timeframe prior to hard close.

In FY24, the unearned revenue amount included Reserve America through June 30th (report provided by Parks). Again, the Kentucky Horse Park had not received payment for the timeframe of June 1-30 prior to hard close but listed this amount as unearned revenue based on prior guidance and to avoid another finding.

FINANCIAL STATEMENT FINDINGS***Material Weaknesses Relating to Internal Controls and/or Noncompliances*****FINDING 2024-003: The Kentucky Horse Park Failed To Identify All Accounts Receivable Activity Necessary For Accurate Financial Reporting (Continued)**

Management's Response and Planned Corrective Action (Continued)

We have been advised that the FY23 audit finding was in error. In future years, the only amounts for Reserve America to be included will be for the timeframes for which the Horse Park has received payments for prior to hard close, which was our prior practice.

The Kentucky Horse Park will work diligently to make these corrections moving forward.

Auditor's Reply

Management's Response and Corrective Action Plan references a fiscal year 2023 finding that was "in error". Prior year finding 23-KHP-001 was provided in a letter to management which stated the database used to identify unearned revenue omitted 16 days of activity. The finding remains appropriate as reports utilized to identify potential unearned revenues should include sufficient detail and include all activity in the reporting period for evaluation.

Adjustments were proposed by the auditor in the prior year with the assumption that KHP had received all cash for advanced reservations by June 30. KHP management was responsible for evaluating and approving auditor adjustments and ensuring they were appropriate and supported.

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-004: The Kentucky Horse Park Failed To Ensure Expenses Were Capitalized In Accordance With Established Policy

Condition and Context

This is a repeat finding as reported in the fiscal year 2023 Statewide Single Audit of Kentucky (SSWAK) Volume 1 as finding 2023-015.

The Kentucky Horse Park (KHP) failed to capitalize digital signs, valued at \$819,480, in accordance with Governmental Accounting Standards Board (GASB) pronouncements and the Commonwealth's fixed asset policy. Additionally, KHP incorrectly coded a fiscal year 2024 transaction for \$42,558 in repair services as general construction expenses within the Commonwealth's accounting system. Repair services are not construction activities and do not meet the capitalization requirements. As a result, KHP's construction in progress assets were overstated by \$42,558, depreciable capital assets were understated by \$819,480, and expenses were overstated by \$776,922.

Cause

Internal controls failed to ensure expenses were properly coded when recorded in the Commonwealth's accounting system. In addition, the process to procure the digital signs failed to generate a capitalization shell in the Commonwealth's accounting system, which is used to ensure potential capital asset activity is evaluated for proper financial reporting. The Finance and Administration Cabinet (FAC) compiles the financial statements based on posted transactions in the accounting system and information as provided by KHP. Review and analysis failed to detect errors and omissions when identifying activity to be capitalized.

Effect

Failure to accurately report and account for all capital asset activity would have led to substantial misstatements on KHP's financial statements if undetected. Inaccuracies in the measurement, recognition, and presentation of financial activity could negatively impact users of the financial statements or management decisions.

Criteria

Concepts Statement No.1 of the Accounting Standards Board, Objectives of Financial Reporting (GASBCS) 1, paragraph 64, states, "Financial reporting should be reliable; that is, the information presented should be verifiable and free from bias and should faithfully represent what it purports to represent. To be reliable, financial reporting needs to be comprehensive." The review and analysis to identify potential errors or omissions when identifying activity to be capitalized in accordance with GASB pronouncements and the Commonwealth's policy is a basic control necessary to ensure the accuracy and reliability of financial reports.

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-004: The Kentucky Horse Park Failed To Ensure Expenses Were Capitalized In Accordance With Established Policy (Continued)

Criteria (Continued)

GASB codification section 1400.103 states, “the term capital assets includes land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.”

GASB Codification section 1400.104 further identifies, “Capital assets should be depreciated over their estimated useful lives unless they are inexhaustible, are intangible assets with indefinite useful lives as described in paragraph .141 or are infrastructure assets reported using the modified approach in paragraphs .105-.107.”

Activity pertaining to repairs and maintenance retain value rather than provide additional value, and as a result, should be expensed in the period incurred.

The Commonwealth’s Fixed Assets Manual, states, in part:

Capitalization:

Generally speaking, fixed assets valued at \$5000 or more are capitalized and reported each year in the Annual Comprehensive Financial Report (ACFR). The ACFR is prepared by SAS.

Specifically, the following are the capitalization thresholds:

- Equipment, vehicles, artwork & historical treasures \$5,000
- Software \$500,000
- Other intangibles \$100,000
- Buildings \$5,000

Acquisition Date and Method:

When choosing the acquisition method, the department needs to look at ownership, nature of the expenditure, capital vs. maintenance, and method of acquisition (e.g., donated, confiscation, purchased with state funds). Use the following criteria when selecting the acquisition method:

- Repairs & Maintenance (R): All asset types when the expenditure is made for state owned assets and the repair and maintenance expenditure does not prolong the useful life of the asset.

FINANCIAL STATEMENT FINDINGS***Material Weaknesses Relating to Internal Controls and/or Noncompliances*****FINDING 2024-004: The Kentucky Horse Park Failed To Ensure Expenses Were Capitalized In Accordance With Established Policy (Continued)**

Recommendation

We recommend KHP strengthen internal controls to ensure transactions are properly recorded in the Commonwealth's accounting system. Additionally, KHP should coordinate with FAC as needed to obtain further guidance to assist in identifying activity that should be capitalized during the financial statement compilation process. Internal controls should be developed to ensure all activity is capitalized or expensed in accordance with the Commonwealth's established policy.

Management's Response and Planned Corrective Action

The Kentucky Horse Park unintentionally did not capitalize digital panels for the scoreboards located at the Rolex Stadium and Covered Arena. This was a rush procurement where the quote was upload to the master agreement. Since this was an urgent request, OPS uploaded the quote to one commodity line as a service instead using multiple commodity lines for each item. Because this was listed as a service instead of an item, a fixed asset shell did not generate in the eMARS system, alerting personnel that the FA document was created and ready to be finalized. The panels have been added to fixed asset inventory. Moving forward, the Kentucky Horse Park will work diligently to ensure that all delivery orders are set up correctly. Furthermore, we will review expense reports to ensure all fixed assets are recognized and properly listed in inventory.

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-005: The Department Of Revenue Failed To Maintain Controls Over Submission Of The Annual Closing Package

Condition and Context

The Annual Comprehensive Financial Report (ACFR) for the Commonwealth of Kentucky is compiled using data from the statewide accounting system along with other accounting information submitted by agencies to the Finance and Administration Cabinet (FAC). Accounting information is submitted to FAC through the use of detailed annual closing package forms housed in a compilation application.

Review of the closing package submitted by the Department of Revenue (DOR) to the compilation application identified a keying error was made for the amount recorded as uncollectible accounts receivable in the Transportation Fund. The uncollectible amount of \$5,654,311 was inadvertently entered as \$55,654,311, creating an overstatement of \$50,000,000 for uncollectible amounts and an understatement in the corresponding deferred inflows resources. Internal controls including review of the submission did not prevent, or detect and correct, the error before inclusion in the draft ACFR. The error was corrected once brought to the attention of management.

Cause

Internal controls did not prevent, or detect and correct, the inaccurate entry of the amount for uncollectible accounts receivable for the Transportation Fund into FAC's compilation application.

Effect

The allowance for uncollectible accounts was overstated and the corresponding deferred inflows of resources for the Transportation Fund were understated by \$50,000,000. Inaccuracies in the measurement, recognition, presentation, and disclosure of reporting information could negatively impact users of the financial statements including management decisions.

Criteria

In accordance with 200 KAR 38:070, Internal controls and pre-audit, each agency is responsible to develop and document internal controls to both prevent and detect abuse, unintentional errors, and the fraudulent disbursement of funds or use of state assets. Additionally, agency personnel shall implement the internal controls and monitor their effectiveness.

Recommendation

We recommend DOR review internal control processes related to entry and submission of the annual closing package in the compilation application to ensure all amounts submitted are accurate.

FINANCIAL STATEMENT FINDINGS

Material Weaknesses Relating to Internal Controls and/or Noncompliances

FINDING 2024-005: The Department Of Revenue Failed To Maintain Controls Over Submission Of The Annual Closing Package (Continued)

Management's Response and Planned Corrective Action

DOR has implemented new procedures to require a second staff member to review all amounts prior to submission. A second employee is also being fully trained to complete the closing package so that there is always a fully trained backup.

FINANCIAL STATEMENT FINDINGS***Significant Deficiencies Relating to Internal Controls and/or Noncompliances*****FINDING 2024-006: The Finance And Administration Cabinet Failed To Ensure Long-Term Debt Activity For The Commonwealth Was Accurately Recorded**

Condition and Context

During the preparation of the fiscal year 2024 Annual Comprehensive Financial Report (ACFR), the Finance and Administration Cabinet (FAC) failed to properly account for activity related to the liability for notes payable. FAC completes accounting entries each year to properly record notes payable activity which occurred during the period. During fiscal year 2024, long-term debt in the amount of \$108,350,000 was refunded. The entry to record this activity was inadvertently reversed during upload into the accounting system, resulting in an overstatement of \$216,700,000 in long-term liabilities. The error was corrected once it was brought to the attention of management.

Cause

Internal controls failed to ensure all entries prepared to record activity related to long-term debt were correctly prepared and entered into the statewide accounting system.

Effect

Failure to ensure the financial statements are accurately prepared in accordance with the applicable financial reporting framework could lead to undetected material misstatements. Inaccuracies in the measurement, recognition, presentation, and disclosure of reporting information, including long-term debt activity occurring in the fiscal year, could negatively impact users of the financial statements including management decisions.

Criteria

In accordance with 200 KAR 38:070, Internal controls and pre-audit, each agency is responsible to develop and document internal controls to both prevent and detect abuse, unintentional errors, and the fraudulent disbursement of funds or use of state assets. Additionally, agency personnel shall implement the internal controls and monitor their effectiveness.

Recommendation

We recommend FAC implement adequate internal controls to ensure accuracy for the reporting of financial activity related to long-term debt on the Commonwealth's ACFR.

FINANCIAL STATEMENT FINDINGS***Significant Deficiencies Relating to Internal Controls and/or Noncompliances*****FINDING 2024-006: The Finance And Administration Cabinet Failed To Ensure Long-Term Debt Activity For The Commonwealth Was Accurately Recorded (Continued)**

Management's Response and Planned Corrective Action

We appreciate the auditor's review and concur with the finding. We acknowledge that the accounting error related to the liability for notes payable occurred during the preparation of the fiscal year 2024 Annual Comprehensive Financial Report (ACFR).

To address the cause of this issue and prevent a recurrence, we are committed to strengthening our internal controls. Specifically, we will enhance our review processes for journal entry uploads and implement additional checks to verify that all accounting entries related to long-term debt are properly prepared and recorded. These improvements will align with the internal control requirements outlined in 200 KAR 38:070 and help ensure compliance with the applicable financial reporting framework.

We value the recommendation and will continue to monitor and improve the effectiveness of our internal controls to maintain accurate and reliable financial reporting.

FINANCIAL STATEMENT FINDINGS***Significant Deficiencies Relating to Internal Controls and/or Noncompliances*****FINDING 2024-007: The Finance And Administration Cabinet Failed To Maintain Internal Controls Over Tax Refunds Payable For The Commonwealth**

Condition and Context

The Annual Comprehensive Financial Report (ACFR) for the Commonwealth of Kentucky is compiled by the Financial Reporting Branch in the Finance and Administration Cabinet (FAC) using data from the statewide accounting system along with other accounting information partially submitted through the use of detailed annual closing package forms. This accounting information is input into the statewide accounting system by way of journal voucher entries (JV) to properly record financial activity for the fiscal year.

During review of the JV to record the amount of tax refunds payable from the Commonwealth, certain tax refunds paid during July 2024 were recorded twice as a payable. This resulted in an understatement of revenues and overstatement in tax refunds payable in the amount of \$107,492,392. The error was corrected once brought to the attention of management.

Cause

Internal controls did not prevent, or detect and correct, the double entry of the amount for tax refunds payable for fiscal year 2024.

Effect

The tax refunds payable for the General Fund were overstated by \$107,492,392 and the corresponding revenues were understated by the same amount. Inaccuracies in the measurement, recognition, presentation, and disclosure of reporting information could negatively impact users of the financial statements including management decisions.

Criteria

In accordance with 200 KAR 38:070, Internal controls and pre-audit, each agency is responsible to develop and document internal controls to both prevent and detect abuse, unintentional errors, and the fraudulent disbursement of funds or use of state assets. Additionally, agency personnel shall implement the internal controls and monitor their effectiveness.

Recommendation

We recommend FAC strengthen internal controls related to the recording of tax refunds payable by the Commonwealth.

FINANCIAL STATEMENT FINDINGS***Significant Deficiencies Relating to Internal Controls and/or Noncompliances*****FINDING 2024-007: The Finance And Administration Cabinet Failed To Maintain Internal Controls Over Tax Refunds Payable For The Commonwealth (Continued)**

Management's Response and Planned Corrective Action

We appreciate the auditor's thorough review and agree with the finding. Once the error regarding the duplicate entry of tax refunds payable was identified, management acted promptly to correct the issue.

We will strengthen internal controls to ensure the accurate recording of tax refunds payable and to prevent similar errors in the future. Specific steps include:

- 1. Implementing additional review procedures for journal voucher entries related to tax refunds payable.*
- 2. Updating the Annual Comprehensive Financial Report (ACFR) Compilation Manual to alert employees of the Financial Reporting Branch that the taxes accounts payable amounts are reported via the annual closing package submission.*

We remain committed to the integrity and accuracy of the Commonwealth's financial reporting and will work diligently to implement these improvements.

FINANCIAL STATEMENT FINDINGS

Significant Deficiencies Relating to Internal Controls and/or Noncompliances

FINDING 2024-008: The Finance And Administrative Cabinet Failed To Implement Adequate Internal Controls To Ensure The Completeness And Accuracy Of The Schedule Of Expenditures Of Federal Awards

Condition and Context

This is a repeat finding as reported in the fiscal year 2023 Statewide Single Audit of Kentucky (SSWAK) Volume 1 as finding 2023-019.

The Financial Reporting Branch within the Finance and Administration Cabinet's (FAC) Office of the Controller prepares the Commonwealth of Kentucky's Schedule of Expenditures of Federal Awards (SEFA). State agencies submit information to the Financial Reporting Branch for their review and approval when compiling the Commonwealth's SEFA. During the compilation of the 2024 SEFA, errors were noted as follows:

- Manual adjusting entries were prepared by FAC which overstated cash expenditures reported for the Department of Justice by \$28,548,583.
- A keying error by FAC produced an overstatement of \$2,250,000 in the amount provided to subrecipients for the Tourism, Arts, and Heritage Cabinet.
- The SEFA forms prepared by FAC for the Office of the State Budget Director incorrectly reported \$10,078,137 in expenditures for the Coronavirus State and Local Fiscal Recovery Fund program which were also reported as expenditures by another agency.

Cause

Errors were made during the compilation of the SEFA which resulted in various misstatements. Internal controls were not in place to ensure the errors were prevented, or detected and corrected, before submission of the SEFA for auditor review.

Effect

The SEFA is the foundation for the identification and selection of major federal programs as required by federal regulations. Inaccurate information could mislead federal oversight agencies and other entities who rely on the accuracy of the SEFA. Errors on the SEFA could also lead to additional noncompliance with federal regulations over the identification, monitoring, and reporting of major federal programs.

Criteria

2 CFR 200.510(b) states, "the auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502."

FINANCIAL STATEMENT FINDINGS***Significant Deficiencies Relating to Internal Controls and/or Noncompliances*****FINDING 2024-008: The Finance And Administrative Cabinet Failed To Implement Adequate Internal Controls To Ensure The Completeness And Accuracy Of The Schedule Of Expenditures Of Federal Awards (Continued)**

Criteria (Continued)

In accordance with 200 KAR 38:070, Internal controls and pre-audit, each agency is responsible to develop and document internal controls to both prevent and detect abuse, unintentional errors, and the fraudulent disbursement of funds or use of state assets. Additionally, agency personnel shall implement the internal controls and monitor their effectiveness.

Recommendation

We recommend the Financial Reporting Branch implement additional internal controls over the preparation of the SEFA. All adjustments should be adequately reviewed and approved to ensure the completeness and accuracy of the SEFA.

Management's Response and Planned Corrective Action

We appreciate the auditor's comments and agree with the findings outlined in the report.

The identified errors in the compilation of the SEFA, including the manual adjusting entries, keying error, and incorrect reporting for the Coronavirus State and Local Fiscal Recovery Fund program, were promptly corrected once identified.

We acknowledge the importance of accurate reporting for the SEFA and the critical role it plays in federal oversight and compliance. To address these issues, the Financial Reporting Branch has already taken steps to strengthen internal controls over the preparation of the SEFA. These measures include:

- *Implementing a more robust review process for all manual adjustments to ensure accuracy.*
- *Enhancing data validation procedures to prevent keying errors.*
- *Increasing collaboration with state agencies to verify expenditure reporting and prevent duplication.*

The Financial Reporting Branch remains committed to maintaining the accuracy and reliability of financial reporting for the Commonwealth of Kentucky.

FINANCIAL STATEMENT FINDINGS

Significant Deficiencies Relating to Internal Controls and/or Noncompliances

FINDING 2024-009: The Cabinet For Health And Family Services Incorrectly Reported Expenditures For One Federal Program On The Schedule Of Expenditures Of Federal Awards

Condition and Context

The Finance and Administration Cabinet (FAC) prepares the Commonwealth of Kentucky's Schedule of Expenditures of Federal Awards (SEFA) using information submitted by state agencies. During fiscal year (FY) 2024, the Cabinet for Health and Family Services (CHFS) submitted expenditure information to assist FAC in compiling the Commonwealth's SEFA. CHFS incorrectly reported the SEFA information for one federal program. Summer Electronic Benefit Transfer Program for Children (Assistance Listing Number (ALN) 10.646) reported \$43,604,160 in noncash expenditures and the amount reported should be zero.

Cause

For the Summer EBT program, CHFS reported the amount of benefits awarded to the Commonwealth as the noncash expenditure amount as well as reporting the actual cash expenditure amount. Internal controls did not detect the error.

Effect

The SEFA was overstated for the Summer EBT program by \$43,604,160. The SEFA is the foundation for the identification and selection of major federal programs as required by federal regulations. Inaccurate information could mislead federal oversight agencies and other entities who rely on the accuracy of the SEFA into making incorrect assumptions and decisions. Errors on the SEFA could also lead to additional noncompliance with federal regulations over the identification, monitoring, and reporting of major federal programs.

Criteria

2 CFR 200.510(b) states, "the auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502."

In accordance with 200 KAR 38:070, internal controls and pre-audit, each agency is responsible to develop and document internal controls to both prevent and detect abuse, unintentional errors, and the fraudulent disbursement of funds or use of state assets. Additionally, agency personnel shall implement the internal controls and monitor their effectiveness.

Recommendation

We recommend CHFS implement additional internal controls to ensure information provided to assist in the SEFA compilation is complete and accurate.

FINANCIAL STATEMENT FINDINGS***Significant Deficiencies Relating to Internal Controls and/or Noncompliances*****FINDING 2024-009: The Cabinet For Health And Family Services Incorrectly Reported Expenditures For One Federal Program On The Schedule Of Expenditures Of Federal Awards (Continued)**

Management's Response and Planned Corrective Action

We agree with these findings and have updated our SEFA 3 instructions with the information below:

SEFA 3

Please be advised that beginning in FFY24, the Commonwealth of Kentucky implemented a Summer Electronic Benefit Transfer (Summer EBT) Program. The award to distribute benefits is at the state level. Therefore, these expenditures will be pulled on the SEFA 2 completed by the Division of General Accounting (DGA) DGA and not be included as non-cash expenditures on the SEFA 3. The Summer EBT Program is tracked under Major Program 0337 in eMARS, program 3372400. The Department of Community Based Services (DCBS) Division of Family Support (DFS) staff will provide SNAP participation data for the recently completed State Fiscal Year (SFY) upon DGA's request.

FINANCIAL STATEMENT FINDINGS

Significant Deficiencies Relating to Internal Controls and/or Noncompliances

FINDING 2024-010: The Energy And Environment Cabinet Failed To Accurately Account For Grant Activity Resulting In A Misstatement In The Federal Fund And On The Schedule Of Expenditures Of Federal Awards

Condition and Context

The Financial Reporting Branch within the Finance and Administration Cabinet's (FAC) Office of the Controller prepares the Commonwealth of Kentucky's Annual Comprehensive Financial Report (ACFR) and Schedule of Expenditures of Federal Awards (SEFA). State agencies submit information to FAC to assist in compiling both financial reports.

After auditor review of information submitted by the Energy and Environment Cabinet (EEC), it was determined that activity entered into the statewide accounting system during the closing period for fiscal year 2024 related to Assistance Listing Number (ALN) 15.252, Abandoned Mine Land Reclamation (AMLR) was incorrectly reported.

AMLR funds in the amount of \$22,265,107 were drawn down after June 30, 2024, but were recorded as fiscal year 2024 revenues in the Federal Fund even though the funds were not received and earned during the fiscal year. Additionally, subsequent transfer of these funds to a separate account for increased tracking and transparency was incorrectly reported as expenditures on the SEFA although these funds were not expended during the fiscal year. Both the Federal Fund revenues and expenditures on the SEFA were corrected by management once the issue was brought to their attention.

Cause

Internal controls failed to prevent, or detect and correct, the incorrect recording of the underlying AMLR transaction in the statewide accounting system and in the EEC SEFA, information submitted to FAC.

Effect

Revenues in the Federal Fund for ACFR were overstated by \$22,265,107 and cash expenditures were overstated by the same amount on the SEFA. Inaccuracies in the measurement, recognition, presentation, and disclosure of reporting information, including federal draw downs, could negatively impact users of the financial statements including management decisions.

Additionally, the SEFA is the foundation for the identification and selection of major federal programs as required by federal regulations. Inaccurate information could mislead federal oversight agencies and other entities who rely on the accuracy of the SEFA. Errors on the SEFA could also lead to additional noncompliance with federal regulations over the identification, monitoring, and reporting of major federal programs.

FINANCIAL STATEMENT FINDINGS***Significant Deficiencies Relating to Internal Controls and/or Noncompliances*****FINDING 2024-010: The Energy And Environment Cabinet Failed To Accurately Account For Grant Activity Resulting In A Misstatement In The Federal Fund And On The Schedule Of Expenditures Of Federal Awards (Continued)**

Criteria

2 CFR 200.510(b) states, “the auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502.”

In accordance with 200 KAR 38:070, Internal controls and pre-audit, each agency is responsible to develop and document internal controls to both prevent and detect abuse, unintentional errors, and the fraudulent disbursement of funds or use of state assets. Additionally, agency personnel shall implement the internal controls and monitor their effectiveness.

Recommendation

We recommend EEC strengthen internal controls related to federal drawdowns to ensure they are properly recorded in the accounting system. Additionally, EEC should strengthen internal controls to ensure all transactions are properly accounted for in information submitted to FAC for SEFA compilation.

Management’s Response and Planned Corrective Action

EEC inadvertently recorded AMLR funds in the wrong fiscal year due to internal processes and queries that only captured cash receipts as of 6/30 in accordance with guidance listed on the ACFR forms. EEC has adjusted our processes to ensure any period 13 receipts are included in the future. The subsequent transfer of these funds into a separate account was done at the guidance of the Finance Controller’s Office. After further discussion with the Controller’s Office, it was confirmed that this should have been reported on the SEFA as a reconciling item and not as an expenditure. EEC has worked with Finance to correct the SEFA and has adjusted internal processes and example to know how to handle these unique situations in the future.

APPENDIX

**COMMONWEALTH OF KENTUCKY
APPENDIX
FOR THE YEAR ENDED JUNE 30, 2024**

This report is available on our website, auditor.ky.gov, in PDF format. For other requests, please contact Maira Gomez, the APA's Open Records Administrator, at (502) 564-5841 or maira.gomez@ky.gov. If copies of the ACFR for FY 2024 are required, the report is available on the Finance and Administration Cabinet website at finance.ky.gov in PDF format.

The list includes entities included in the Commonwealth's ACFR with separate audited financial statement reports issued by the Auditor of Public Accounts or Certified Public Accounting firms. Audit reports are available upon request to the respective agency.

Bluegrass State Skills Corporation
Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Council on Postsecondary Education
100 Airport Road
Frankfort, KY 40601

Eastern Kentucky University
Vice President for Business Affairs
521 Lancaster Avenue
Richmond, Kentucky 40475-3101

Kentucky Artisan Center at Berea
200 Artisan Way
Berea, KY 40403

Kentucky Center for the Arts
501 West Main Street
Louisville, Kentucky 40202

Kentucky Communications Network Authority
500 Mero Street Suite 1-1
Frankfort, KY 40601

Kentucky Community and Technical College System
300 North Main Street
Versailles, KY 40383

Kentucky Department of Labor - Special Fund
500 Mero Street, 3rd Floor
Frankfort, KY 40601

**COMMONWEALTH OF KENTUCKY
APPENDIX
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Kentucky Economic Development Finance Authority
Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Kentucky Educational Television Authority
600 Cooper Drive
Lexington, Kentucky 40502

Kentucky Higher Education Assistance Authority
P.O. Box 798
Frankfort, Kentucky 40602-0798

Kentucky Higher Education Student Loan Corporation
P.O. Box 24328
Louisville, KY 40224-0328

Kentucky Horse Park Foundation
4075 Iron Works Parkway, Building D
Lexington, Kentucky 40511

Kentucky Housing Corporation
1231 Louisville Road
Frankfort, Kentucky 40601

Kentucky Infrastructure Authority
100 Airport Road, 3rd Floor
Frankfort, Kentucky 40601

Kentucky Judicial Form Retirement System
Suite 302, Whitaker Bank Building
305 Ann Street
Frankfort, Kentucky 40601

Kentucky Lottery Corporation
1011 West Main Street
Louisville, Kentucky 40202-2623

Kentucky Public Employees' Deferred Compensation Authority
501 High Street, 2nd Floor
Frankfort, KY 40601

**COMMONWEALTH OF KENTUCKY
APPENDIX
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Kentucky Public Pensions Authority
Perimeter Park West
1260 Louisville Road
Frankfort, Kentucky 40601

Kentucky Public Transportation Infrastructure Authority
200 Mero Street
Frankfort, Kentucky 40601

Kentucky River Authority
403 Wapping Street, Suite 105
Frankfort, KY 40601

Kentucky State Fair Board
Kentucky Fair and Exposition Center
937 Phillips Lane
Louisville, KY 40209

Kentucky State University
Office of Administrative Affairs
400 East Main Street
Frankfort, Kentucky 40601

Kentucky Transportation Cabinet
Kentucky Transportation Cabinet's Workers' Compensation Program
200 Mero Street
Frankfort, Kentucky 40601

Louisville Arena Authority
1 Arena Plaza
Louisville, KY 40202

Morehead State University
Office of Accounting and Financial Services
207 Howell-McDowell Administration Building
Morehead, Kentucky 40351

Murray State University
200 Sparks Hall
Murray, Kentucky 42071

**COMMONWEALTH OF KENTUCKY
APPENDIX
FOR THE YEAR ENDED JUNE 30, 2024
(Continued)**

Northern Kentucky University
Office of Financial Services
Nunn Drive
Highland Heights, Kentucky 41099-8101

Office of Public Employees Health Insurance
State Office Building, 2nd Floor
501 High Street
Frankfort, KY 40601

Office of the Petroleum Storage Tank
Environmental Assurance Fund
300 Sower Blvd, 2nd Floor
Frankfort, KY 40601

Teachers' Retirement System of the State of Kentucky
479 Versailles Road
Frankfort, Kentucky 40601

Turnpike Authority of Kentucky
200 Mero Street, 5th Floor
Frankfort, KY 40622

University of Kentucky
107 Main Building
Lexington, Kentucky 40506-0032

University of Louisville
2301 South 3rd Street
108 Grawemeyer Hall
Louisville, Kentucky 40292

Western Kentucky University
Vice President for Finance and Administration
1906 College Heights Blvd.
Potter Hall 435
Bowling Green, Kentucky 42101-1007

Workers' Compensation Program
500 Mero Street, 3rd Floor
Frankfort, KY 40601