



Office of the Washington State Auditor  
Pat McCarthy

# Financial Statements and Federal Single Audit Report

## State of Washington

For the period July 1, 2020 through June 30, 2021

*Published August 8, 2022*

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**Office of the Washington State Auditor  
Pat McCarthy**

August 8, 2022

The Honorable Jay Inslee  
State of Washington  
Olympia, Washington

**Report on Financial Statements and Federal Single Audit**

Please find attached our report on the State of Washington's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Agency's financial condition.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

***Americans with Disabilities***

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# SCHEDULE OF FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the State of Washington are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

#### Financial Statements

We issued an unmodified opinion on the fair presentation of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units and remaining fund information and the aggregate discretely presented component units in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the State.

#### Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We identified deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the State’s compliance with requirements applicable to each of its major federal programs, with the following exceptions:

We issued a disclaimer of opinion on the State’s compliance with requirements applicable to the Child Care and Development Fund Cluster (93.575 Child Care and Development Block Grant and 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund).

We issued an adverse opinion on the State’s compliance with requirements applicable to the 21.019 Coronavirus Relief Fund, 21.027 Coronavirus State and Local Fiscal Recovery Funds, and 93.558 Temporary Assistance for Needy Families programs.

We also issued a qualified opinion on the State’s compliance with requirements applicable to the 93.959 Block Grants for Prevention and Treatment of Substance Abuse.

We reported findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

## Identification of Major Federal Programs

The following programs were selected as major programs in our audit of compliance in accordance with the Uniform Guidance.

<u>CFDA No.</u>	<u>Program or Cluster Title</u>
10.542	COVID-19 – Pandemic EBT Food Benefits
10.553	Child Nutrition Cluster – School Breakfast Program
10.553	Child Nutrition Cluster – COVID-19 – School Breakfast Program
10.555	Child Nutrition Cluster – National School Lunch Program
10.555	Child Nutrition Cluster – COVID-19 – National School Lunch Program
10.556	Child Nutrition Cluster – Special Milk Program for Children
10.556	Child Nutrition Cluster – COVID-19 – Special Milk Program for Children
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children
10.557	COVID-19 – WIC Special Supplemental Nutrition Program for Women, Infants, and Children
10.559	Child Nutrition Cluster – Summer Food Service Program for Children
10.559	Child Nutrition Cluster – COVID-19 – Summer Food Service Program for Children
10.579	Child Nutrition Cluster – Child Nutrition Discretionary Grants
17.225	Unemployment Insurance
17.225	COVID-19 – Unemployment Insurance
17.258	WIOA Cluster – WIOA Adult Program
17.259	WIOA Cluster – WIOA Youth Activities
17.278	WIOA Cluster – WIOA Dislocated Worker Formula Grants

20.205	Highway Planning and Construction Cluster – Highway Planning and Construction
20.205	Highway Planning and Construction Cluster – COVID-19 – Highway Planning and Construction
20.219	Highway Planning and Construction Cluster – Recreational Trails Program
20.224	Highway Planning and Construction Cluster – Federal Lands Access Program
20.500	Federal Transit Cluster – Federal Transit Capital Investment Grants
20.507	Federal Transit Cluster – Federal Transit Formula Grants
20.507	Federal Transit Cluster – COVID-19 – Federal Transit Formula Grants
20.525	Federal Transit Cluster – State of Good Repair Grants Program
20.526	Federal Transit Cluster – Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs
21.019	COVID-19 – Coronavirus Relief Fund
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds
84.007	Student Financial Assistance Cluster – Federal Supplemental Educational Opportunity Grants
84.010	Title I Grants to Local Educational Agencies
84.027	Special Education Cluster (IDEA) – Special Education Grants to States
84.033	Student Financial Assistance Cluster – Federal Work-Study Program
84.038	Student Financial Assistance Cluster – Federal Perkins Loan Program
84.063	Student Financial Assistance Cluster – Federal Pell Grant Program
84.173	Special Education Cluster (IDEA) – Special Education Preschool Grants
84.268	Student Financial Assistance Cluster – Federal Direct Student Loans
84.379	Student Financial Assistance Cluster – Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)
84.408	Student Financial Assistance Cluster – Postsecondary Education Scholarships for Veteran's Dependents
84.425	COVID-19 – Education Stabilization Fund
93.264	Student Financial Assistance Cluster – Nurse Faculty Loan Program (NFLP)

93.342	Student Financial Assistance Cluster – Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students
93.364	Student Financial Assistance Cluster – Nursing Student Loans
93.498	COVID-19 – Provider Relief Fund
93.558	Temporary Assistance for Needy Families
93.563	Child Support Enforcement
93.568	Low-Income Home Energy Assistance
93.568	COVID-19 – Low-Income Home Energy Assistance
93.575	CCDF Cluster – Child Care and Development Block Grant
93.575	CCDF Cluster – COVID-19 – Child Care and Development Block Grant
93.596	CCDF Cluster – Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.658	Foster Care Title IV-E
93.658	COVID-19 – Foster Care Title IV-E
93.659	Adoption Assistance
93.659	COVID-19 – Adoption Assistance
93.767	Children's Health Insurance Program
93.767	COVID-19 – Children's Health Insurance Program
93.775	Medicaid Cluster – State Medicaid Fraud Control Units
93.777	Medicaid Cluster – State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
93.778	Medicaid Cluster – Medical Assistance Program
93.778	Medicaid Cluster – COVID-19 – Medical Assistance Program
93.925	Student Financial Assistance Cluster – Scholarships for Health Professions Students from Disadvantaged Backgrounds
93.959	Block Grants for Prevention and Treatment of Substance Abuse
97.036	COVID-19 – Disaster Grants – Public Assistance (Presidentially Declared Disasters)
97.050	COVID-19 – Presidential Declared Disaster Assistance to Individuals and Households – Other Needs

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$55,262,335.

The State did not qualify as a low-risk auditee under the Uniform Guidance.

## SECTION II – FINANCIAL STATEMENT FINDINGS

Finding Number	Finding Title
2021-001	The State lacked adequate internal controls over financial reporting for ensuring accurate recording and monitoring of financial activity in its financial statements.

## SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding Number	Finding Title
2021-002	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with suspension and debarment requirements for the Child Nutrition Cluster program.
2021-003	The Office of Superintendent of Public Instruction did not have adequate internal controls over accountability of USDA-donated foods.
2021-004	The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure provider payments were allowable and met cost principles for the Special Supplemental Nutrition Program for Women, Infants and Children.
2021-005	The Employment Security Department did not have adequate internal controls over and did not comply with federal requirements to conduct case reviews for the Benefit Accuracy Measurement program of the Unemployment Insurance program in a timely manner.
2021-006	The Employment Security Department did not have adequate internal controls over fiscal monitoring requirements to ensure subrecipients of the Workforce Innovation and Opportunity Act program only used funds for allowable purposes.
2021-007	The Employment Security Department did not have adequate internal controls over and did not comply with requirements to ensure it submitted complete and accurate quarterly performance reports for the Workforce Innovation and Opportunity grant.
2021-008	The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to



	conduct program monitoring of subrecipients of the Highway Planning and Construction Cluster.
2021-009	The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Highway Planning and Construction Cluster.
2021-010	The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to issue management decisions for audit findings to subrecipients of the Highway Planning and Construction Cluster.
2021-011	The Washington State Department of Transportation did not have adequate internal controls over and did not comply with quality assurance program requirements to ensure materials conformed to approved plans and specifications, and that only qualified personnel performed testing for projects funded by the Highway Planning and Construction Cluster.
2021-012	The Department of Social and Health Services did not have adequate internal controls to ensure payments were allowable and properly supported, and did not comply with federal requirements to conduct fiscal monitoring of subrecipients for the Coronavirus Relief Fund.
2021-013	The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to conduct fiscal monitoring of subrecipients and ensure payments were allowable and properly supported for the Coronavirus Relief Fund.
2021-014	The Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus Relief Fund.
2021-015	The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to ensure subawards contained all required information and subrecipients received risk assessments for the Coronavirus Relief Fund.
2021-016	The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Coronavirus Relief Fund received risk assessments.
2021-017	The Department of Corrections did not have adequate internal controls over and did not comply with requirements to ensure it used State and Local Fiscal Recovery Funds for allowable purposes and for costs incurred within the period of performance.

2021-018	The Department of Agriculture did not have adequate internal controls over and did not comply with federal requirements for procurement or suspension and debarment.
2021-019	The Department of Agriculture did not have adequate internal controls over and did not comply with federal requirements to ensure it issued all required subawards, included all required information in the subawards issued, and performed risk assessments for subrecipients of the Coronavirus State and Local Fiscal Recovery Funds.
2021-020	Washington State University did not establish adequate internal controls over and did not comply with federal requirements to conduct risk assessments of student information security for the Student Financial Assistance programs.
2021-021	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with federal requirements to ensure Local Education Agencies implemented testing security measures.
2021-022	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to ensure payments to subrecipients were adequately supported for the Special Education programs.
2021-023	The Office of Superintendent of Public Instruction did not have adequate internal controls over requirements to perform risk assessments for subrecipients of the Special Education program.
2021-024	Washington State University did not establish adequate internal controls over and did not comply with federal requirements to monitor its third-party servicer for compliance with Federal Perkins Loan Program recordkeeping and record retention requirements.
2021-025	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to ensure it monitored Education Stabilization Fund program subrecipients and that payments to them were allowable and adequately supported.
2021-026	The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Education Stabilization Fund programs.
2021-027	The Department of Social and Health Services did not have adequate internal controls over Random Moment Time Samples and did not comply with some Public Assistance Cost Allocation Plan requirements.
2021-028	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure

	payments to child care providers paid with Temporary Assistance for Needy Families funds were allowable and properly supported.
2021-029	The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to reduce or deny assistance to recipients of the Temporary Assistance for Needy Families grant who did not cooperate with the child support program.
2021-030	The Department of Social and Health Services improperly charged \$224,752 for the Child Support Enforcement and Child Support Enforcement Research programs.
2021-031	The Department of Commerce did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Federal Funding Accountability and Transparency Act.
2021-032	The Department of Commerce did not have adequate internal controls over and did not comply with reporting requirements for the Low-Income Home Energy Assistance Program.
2021-033	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers for the Child Care and Development Fund Cluster programs were allowable and properly supported.
2021-034	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payroll charges paid by the Child Care and Development Fund cluster were allowable and properly supported.
2021-035	The Department of Children, Youth, and Families did not have adequate internal controls over client eligibility requirements for the child care services funded with the Child Care and Development Fund.
2021-036	The Department of Children, Youth, and Families did not have adequate internal controls and did not comply with matching, level of effort, and earmarking requirements for the Child Care and Development Fund Cluster.
2021-037	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with period of performance requirements for the Child Care and Development Fund.
2021-038	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with financial reporting requirements for the Child Care and Development Fund Cluster.

2021-039	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with health and safety requirements for the Child Care and Development Fund program.
2021-040	The Department of Children, Youth, and Families did not have adequate internal controls to ensure payments to providers for travel and family visits were allowable and adequately supported for the Foster Care program.
2021-041	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with federal requirements to ensure indirect costs charged to the Foster Care program were allowable.
2021-042	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with some Public Assistance Cost Allocation Plan requirements.
2021-043	The Department of Children, Youth, and Families improperly charged \$1,850 in benefits to the Foster Care Title IV-E program.
2021-044	The Department of Children, Youth, and Families did not have adequate internal controls over its process to allocate the Adoption Assistance program expenditures to federal grants.
2021-045	The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with level of effort requirements for the Adoption Assistance program.
2021-046	The Health Care Authority did not have adequate internal controls to ensure clients were eligible for the Children's Health Insurance Program.
2021-047	The Health Care Authority did not have adequate internal controls over and did not comply with federal provider eligibility requirements for the Medicaid and Children's Health Insurance programs.
2021-048	The Health Care Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements.
2021-049	The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid payments to supported living providers were allowable and adequately supported.
2021-050	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it performed procedures to safeguard against unnecessary utilization of care and services for the Medicaid program.
2021-051	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it performed periodic

	audits of cost report data for rate setting, hospital billings and other financial and statistical records for inpatient hospital services.
2021-052	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to report recoveries of fraudulent overpayments on the CMS-64 report.
2021-053	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls to ensure it complied with nursing home survey statement of deficiencies and plan of corrections timelines.
2021-054	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over and did not comply with requirements to ensure timely investigation of complaints of client abuse and neglect at Medicaid residential facilities.
2021-055	The Health Care Authority improperly charged \$100,000 to the Block Grants for Prevention and Treatment of Substance Abuse.
2021-056	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it met the earmarking requirement for the Block Grants for Prevention and Treatment of Substance Abuse.
2021-057	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure payments made under the Block Grants for Prevention and Treatment of Substance Abuse program met the period of performance.
2021-058	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Federal Funding Accountability and Transparency Act.
2021-059	The Health Care Authority did not have adequate internal controls over and did not comply with the reporting requirements for the Block Grants for Prevention and Treatment of Substance Abuse.
2021-060	The Health Care Authority did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Block Grants for Prevention and Treatment of Substance Abuse program received required risk assessments.
2021-061	The Health Care Authority did not have adequate internal controls over and did not comply with federal subrecipient monitoring requirements for the Block Grants for Prevention and Treatment of Substance Abuse program.
2021-062	The Employment Security Department did not have adequate internal controls to ensure it submitted accurate weekly reports for the

	Presidential Declared Disaster Assistance to Individuals and Households program.
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## SECTION IV – SUMMARY OF QUESTIONED COSTS

Federal Grantor	State Agency	CFDA number	Federal Program	Known Questioned Costs	Likely Improper Payments	Finding Number(s)
U.S. Department of Agriculture	Department of Health	10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	\$6,711,342	\$12,329,235	2021-004
U.S. Department of the Treasury	Department of Commerce	21.019	Coronavirus Relief Fund	\$4,124,518	\$6,408,565	2021-013
U.S. Department of the Treasury	Department of Agriculture	21.027	Coronavirus State and Local Fiscal Recovery Funds	\$13,899,326	\$3,813,586	2021-018; 2021-019
U.S. Department of the Treasury	Department of Corrections	21.027	Coronavirus State and Local Fiscal Recovery Funds	\$17,380,061	\$17,407,483	2021-017
U.S. Department of Health and Human Services	Department of Children, Youth, and Families	93.558	Temporary Assistance for Needy Families	\$119,917,902	-	2021-028
U.S. Department of Health and Human Services	Department of Social and Health Services	93.558	Temporary Assistance for Needy Families	\$142		2021-029
U.S. Department of Health and Human Services	Department of Social and Health Services	93.563	Child Support Enforcement	\$148,336	-	2021-030

U.S. Department of Health and Human Services	Department of Social and Health Services	93.564	Child Support Enforcement Research	\$76,416	-	2021-030
U.S. Department of Health and Human Services	Department of Children, Youth, and Families	93.575, 93.596	Child Care and Development Fund Cluster	\$293,237,395	\$19,818	2021-033; 2021-034; 2021-035; 2021-036; 2021-037
U.S. Department of Health and Human Services	Department of Children, Youth, and Families	93.658	Foster Care Title IV-E	\$16,291,183	\$38,242	2021-041; 2021-043
U.S. Department of Health and Human Services	Health Care Authority	93.767	Children's Health Insurance Program	\$10,244	\$6,819,642	2021-046
U.S. Department of Health and Human Services	Department of Social and Health Services	93.775, 93.777, 93.778	Medicaid Cluster	\$251,573,081	\$252,286,875	2021-049
U.S. Department of Health and Human Services	Health Care Authority	93.775, 93.777, 93.778	Medicaid Cluster	\$78,774	-	2021-052
U.S. Department of Health and Human Services	Health Care Authority	93.959	Block Grants for Prevention and Treatment of Substance Abuse	\$838,514	\$438,889	2021-055; 2021-056; 2021-057

## SCHEDULE OF AUDIT FINDINGS AND RESPONSES

### State of Washington July 1, 2020 through June 30, 2021

**2021-001 The State lacked adequate internal controls over financial reporting for ensuring accurate recording and monitoring of financial activity in its financial statements.**

#### *Background*

State management is responsible for designing, implementing and maintaining internal controls that provide reasonable assurance financial statements are fairly presented and financial reporting is reliable. We identified deficiencies in internal controls that could adversely affect the State’s ability to prevent—or quickly detect and correct—misstatements in the financial statements.

Government Auditing Standards, prescribed by the Comptroller General of the United States, requires the auditor to communicate material weakness in internal controls, as defined below in the Applicable Laws and Regulations section, as a finding.

#### *State Board for Community and Technical Colleges*

The State Board for Community and Technical Colleges (SBCTC) advocates for, coordinates and directs Washington’s system of 34 public community and technical colleges. One of SBCTC’s responsibilities is to collect and consolidate community and technical college financial data for reporting in the State’s general ledger accounting system. During the previous three audits, we identified and communicated deficiencies in internal controls over the reporting of community and technical college financial data.

#### *Health Care Authority*

The Health Care Authority (HCA) contracted with a vendor, which uses a system called ProviderOne, to process Medicaid payments. During the previous eight audits, we identified and communicated deficiencies in controls over the ProviderOne system. For fiscal year 2021, ProviderOne processed about 144 million transactions totaling \$14.3 billion.



## *Description of Condition*

We identified the following deficiencies in internal controls over financial reporting that, when taken together, represent a material weakness in internal controls over financial reporting:

### *SBCTC*

The SBCTC did not complete a timely and accurate reconciliation of college financial data with the amounts recorded in the State's accounting system before the State closed its books. This issue was reported as a finding in the prior four audits.

### *HCA*

HCA relies on internal controls that the vendor performs, but it has not obtained a service organization control audit report (also called a SOC 1 report) for the ProviderOne system for fiscal year 2021. This report is essential because it determines whether the vendor has properly designed its controls and that they are operating as intended in the processing and recording of Medicaid payments. This issue was reported as a finding every other fiscal year since fiscal year 2013.

## *Cause of Condition*

### *SBCTC*

The SBCTC did not dedicate sufficient time or resources to reconciling college financial data to the State's accounting system and making appropriate adjustments. The difficulty of performing this reconciliation has increased because half of the colleges converted to a new computer system by fiscal year-end, while the rest of the schools remained on legacy software.

### *HCA*

HCA and its vendor did not adequately outline in their original contract the responsibilities, controls and requirements for monitoring the ProviderOne system. Specifically, the contract did not require the vendor to provide a SOC 1 report to demonstrate that its controls were effective. At the time of the contract, HCA management did not completely understand the extent of its monitoring responsibilities for the ProviderOne system.

## *Effect of Condition*

### *SBCTC*

We found numerous, unexplained variances between consolidated college financial data and the amounts recorded in the State's accounting system. Some of these variances include:

- In governmental activities funds, the State's accounting system had smaller balances than the consolidated college financial data. These variances included depreciable assets (\$4 million), education expenses (\$90 million) and charges for services (\$340 million). Operating grants and contributions in the governmental activities funds were larger than consolidated college financial data by \$39 million.
- In the higher education special revenue funds, the State's accounting system had larger balances than the consolidated college financial data. These variances included cash (\$147 million), charges for services (\$40 million), federal grants-in-aid (\$21 million) and education expenditures (\$96 million). Additionally, federal grants-in-aid in the State's accounting system was \$14 million higher than the individual federal grants awards the colleges disclosed.
- In the higher education student services funds, the State's accounting system had a larger balance than the consolidated college financial data for cash (\$27 million).

The SBTC did not correct these errors in the financial statements.

### *HCA*

HCA's failure to ensure that the vendor conducted an internal control audit of the ProviderOne system and provide a report of the audit could lead to:

- Inaccurate financial reporting in the state's General Fund
- Misuse, loss or misappropriation, inaccurate payments, and unauthorized software changes to the ProviderOne system

## *Recommendation*

### *SBCTC*

We recommend the SBTC perform a complete and timely reconciliation of college financial data to the State's accounting system throughout the fiscal year.

### *HCA*

We recommend HCA work with its vendor each year to obtain a SOC 1 report that covers an entire fiscal year.

## ***Agency's Response***

*The State recognizes the significance and priority of internal controls over recording and reporting financial transactions.*

*OFM will work with the two agencies included in the finding to improve their internal controls over the processing and reporting of financial activities. OFM will continue to provide assistance to the State Board of Community and Technical Colleges in its effort to complete the automated process of transmitting college financial data into the State's accounting system.*

## ***Auditor's Remarks***

We appreciate the State's commitment to resolve this finding and thank OFM for its cooperation and assistance during the audit. We will review the corrective action taken during the next audit of the State's annual comprehensive financial report.

## ***Applicable Laws and Regulations***

Government Auditing Standards, July 2018 Revision, paragraphs 6.40 and 6.41 establish reporting requirements related to significant deficiencies or material weaknesses in internal control, instances of fraud, and noncompliance with provisions of laws, regulations, contracts, or grant agreements.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 265, Communicating Internal Control Related Matters Identified in an Audit, paragraph 7.

RCW 43.88.160 Fiscal management – Powers and duties of officers and agencies, states in part:

(4) In addition, the director of financial management, as agent of the governor, shall:

(a) Develop and maintain a system of internal controls and internal audits comprising methods and procedures to be adopted by each agency that will safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies for accounting and financial controls. The system developed by the director shall include criteria for determining the scope and comprehensiveness of internal controls required by classes of agencies, depending on the level of resources at risk.

The Office of Financial Management's State Administrative and Accounting Manual (SAAM), states in part:

Section 20.15.30 Annual requirements for agencies related to statewide reporting

The Office of Financial Management (OFM) prepares the state's Annual Comprehensive Financial Report (ACFR) annually. While OFM has final responsibility for the contents of the ACFR, the data in the financial statements and many of the notes to the financial statements are generated from Agency Financial Reporting System (AFRS) transactions input by agencies. Because agencies are in control of transactions entered into AFRS, OFM relies on agency internal control systems and the monitoring of those systems to assert in writing that the ACFR is correct and complete.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-002 The Office of Superintendent of Public Instruction did not have internal controls over and did not comply with suspension and debarment requirements for the Child Nutrition Cluster program.**

<b>CFDA Number and Title:</b>	10.553 School Breakfast Program 10.553 COVID-19 School Breakfast Program 10.555 National School Lunch Program 10.555 COVID-19 National School Lunch Program 10.556 Special Milk Program for Children 10.556 COVID-19 Special Milk Program for Children 10.559 Summer Food Service Program for Children 10.559 COVID-19 Summer Food Service Program for Children 10.579 Child Nutrition Discretionary Grants
<b>Federal Grantor Name:</b>	U.S. Department of Agriculture
<b>Federal Award Number:</b>	207WAWA3N1099, 217WAWA3N1099 217WAWA3N1199, 187WAWA7N8103 197WAWA7N8103, 207WAWA7N8103
<b>Pass-through Entity:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Suspension and Debarment
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Child Nutrition Cluster programs help states administer food services that provide healthy and nutritious meals to eligible children in public and nonprofit private schools, residential child care institutions, and summer recreation programs, as well as encourage the domestic consumption of nutritious agricultural commodities.

The Office of Superintendent of Public Instruction (Office) administers the state’s Child Nutrition Cluster programs. The Office spent about \$374 million in federal funds, including non-cash assistance, on eligible child nutrition meals during fiscal year 2021. The Office passed through most of the assistance to school food authorities (SFA) and other sponsors as subawards.

Federal regulations prohibit grantees from making subawards under covered transactions to parties that are suspended or debarred from doing business with the federal government. The regulations require grantees to use one of three approved methods to verify that all subrecipients of federal funds are not suspended or debarred. The Office's verification procedure is to add a clause or condition to each subaward or contract in which the signer attests it is not suspended or debarred.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Office did not have adequate internal controls over and did not comply with suspension and debarment requirements for Child Nutrition Cluster program subrecipients. The prior finding numbers were 2020-003 and 2019-004.

### *Description of Condition*

The Office did not have adequate internal controls over and did not comply with suspension and debarment requirements for the Child Nutrition Cluster program.

The corrective action plan the Office developed in response to the prior audit findings included developing a new Child Nutrition Program Permanent Agreement template to include information and attestation to suspension and debarment requirements and updating the internal process for reviewing and approving program applications.

The Office implemented the new Permanent Agreement in December 2019. However, the Office stopped using it because of USDA's concern about the Civil Rights Assurance statement in the Permanent Agreement. Once USDA's concerns were resolved, the Office continued implementing the new agreement. Because of the delay, not all sponsors have signed new Permanent Agreements.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### *Cause of Condition*

The Office was still in the process of updating subrecipient agreements and implementing the new Permanent Agreement during the audit period.

### *Effect of Condition*

We used a statistical sampling method to randomly select and examine 55 of a total population of 400 subrecipients. For the selected subrecipients, we examined the subaward records and program applications to confirm that the Office included a suspension and debarment clause in the

agreement or application. We determined the Office did not require three subrecipients (5 percent) to certify that they were not suspended or debarred before receiving federal funds.

We confirmed that the subrecipients we examined were not suspended or debarred. Therefore, we are not questioning costs related to these payments.

By not verifying that entities are not suspended or debarred, the Office risks making subawards or entering into contracts with suspended or debarred entities. If the Office made payments to entities that were suspended or debarred, the payment would be unallowable and the Office could have to repay the grantor.

### ***Recommendation***

We recommend the Office implement established internal controls and comply with federal suspension and debarment requirements.

### ***Office's Response***

*The Office concurs with the finding.*

*Child Nutrition Services has received the clarification requested from the U.S. Department of Agriculture (USDA) regarding the Civil Rights Assurance statement in our permanent agreement. Clarification was received from USDA on June 7, 2021. Child Nutrition Services resumed collection of permanent agreements soon afterwards and continues to send, receive, and process permanent agreements. Collection of permanent agreements is expected to conclude end of calendar year 2022.*

### ***Auditor's Remarks***

We thank the Office for its cooperation and assistance throughout the audit. We will review the status of the Office's corrective actions during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal

award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

(a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:

- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
- (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 180, states in part:

Subpart B – Covered Transactions, Section 180.200 What is a covered transaction?

A covered transaction is a nonprocurement or procurement transaction that is subject to the prohibitions of this part. It may be a transaction at

- (a) The primary tier, between a Federal agency and a person (see appendix to this part); or
- (b) A lower tier, between a participant in a covered transaction and another person.



Subpart C – Responsibilities of Participants Regarding Transactions Doing Business With Other Persons, Section 180.300 What must I do before I enter into a covered transaction with another person at the next lower tier?

When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-003 The Office of Superintendent of Public instruction did not have adequate internal controls over accountability for USDA-donated foods.**

<b>CFDA Number and Title:</b>	10.553 School Breakfast Program 10.553 COVID-19 School Breakfast Program 10.555 National School Lunch Program 10.555 COVID-19 National School Lunch Program 10.556 Special Milk Program for Children 10.556 COVID-19 Special Milk Program for Children 10.559 Summer Food Service Program for Children 10.559 COVID-19 Summer Food Service Program for Children 10.579 Child Nutrition Discretionary Grants
<b>Federal Grantor Name:</b>	U.S. Department of Agriculture
<b>Federal Award Number:</b>	207WAWA3N1099, 217WAWA3N1099 217WAWA3N1199, 187WAWA7N8103 197WAWA7N8103, 207WAWA7N8103
<b>Pass-through Entity:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Special Tests and Provisions – Accountability of USDA-Donated Foods
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Child Nutrition Cluster programs help states administer food services that provide healthy and nutritious meals to eligible children in public and nonprofit private schools, residential care institutions, and summer programs, as well as encourage the domestic consumption of nutritious agricultural commodities.

The Office of Superintendent of Public Instruction (Office) administers the state’s Child Nutrition Cluster programs. The Office spent about \$374 million, including non-cash assistance, in federal funds on eligible child nutrition meals during fiscal year 2021. The Office passed through most of the assistance to school food authorities (SFA) and other sponsors as subawards.

The United State Department of Agriculture (USDA) makes donated agricultural commodities available for use in operating all child nutrition programs, except the Special Milk Program for Children. The Office contracts with four warehouses to perform its storage and distribution duties. Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported the Department did not have adequate internal controls over and did not comply with requirements to properly account for USDA-donated foods. The prior finding numbers were 2020-004 and 2019-005.

### *Description of Condition*

The Office did not have adequate internal controls over accountability for USDA-donated foods.

We conducted an inventory reconciliation using the Office's state fiscal year 2020 physical inventory records, USDA food order records, distribution records, and the Office's state fiscal year 2021 ending physical inventory records. We determined the Office performed an annual physical inventory for all four of its warehouses. However, we found the Office:

- Did not perform proper reconciliations between the federal government distribution report, the Office's internal inventory tracking spreadsheet and the warehouse documentation
- Did not perform a proper reconciliation between physical inventory and the Office's inventory records
- Did not keep supporting records for inventory losses or damaged inventory item adjustments

We identified 114 food items with negative adjustments. We reviewed 18 adjustments and found 14 were not supported and four were only partially supported. We also found that eight out of 307 USDA food items we examined contained discrepancies. We noted a total variance of 554 (quantity in cases) out of 70,368 cases. The Office undercounted by 118 cases and overcounted by 436 cases.

We consider these internal control deficiencies to be a material weakness.

### *Cause of Condition*

In response to the prior audit finding, the Office developed a corrective action plan that included implementing policies and procedures regarding the reconciliation process for donated foods and procuring a new or updated electronic food distribution system. However, at the time of the audit, the Office was still in the process of documenting system requirements for a new or updated

electronic food distribution system that includes tracking and reporting capabilities to assist with the reconciliation process.

### ***Effect of Condition***

Without proper reconciliation between physical inventories and inventory records, the Office cannot ensure it identifies inventory discrepancies and properly accounts for the loss of donated foods. Additionally, failure to maintain records required by federal law may require the Office to pay USDA the value of the food or replace it in kind.

### ***Recommendations***

We recommend the Office:

- Implement established internal policies and procedures for the USDA-donated foods reconciliation process to ensure adjustments for loss are supported
- Implement internal controls to ensure physical inventory is reconciled with inventory records
- Follow up on the inventory discrepancies identified

### ***Office's Response***

*The Office has implemented corrective action to strengthen internal controls over accounting of USDA-donated Foods.*

*The Office completed the documentation of system requirements for a new/updated electronic food distribution system that includes tracking and reporting capabilities to assist with the reconciliation process. This was completed September 2021.*

*The Office will post a Request for Proposal for the procurement of the new/updated electronic food distribution system May 2022.*

### ***Auditor's Remarks***

We thank the Office for its cooperation and assistance throughout the audit. We will review the status of the Office's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Title 7 U.S. Code of Federal Regulation, part 250, states in part:

Section 250.12 Storage and inventory management at the distributing agency level

- (a) *Safe storage and control.* The distributing agency or subdistributing agency (which may include commercial storage facilities under contract with either the distributing agency or subdistributing agency, as applicable), must provide facilities for the storage and control of donated foods that protect against theft, spoilage, damage, or other loss. Accordingly, such storage facilities must maintain donated foods in sanitary conditions, at the proper temperature and humidity, and with adequate air circulation. The distributing agency must ensure the storage facilities comply with Federal, State, or local requirements relative to food safety and health and procedures for responding to a food recall, as applicable, and obtain all required health inspections.
- (b) *Inventory management.* The distributing agency must ensure that donated foods at all storage facilities used by the distributing agency (or by a subdistributing agency) are stored in a manner that permits them to be distinguished from other foods, and must ensure that a separate inventory record of donated foods is maintained. The distributing agency's system of inventory management must ensure that donated foods are distributed in a timely manner and in optimal condition. On an annual basis, the distributing agency must conduct a physical review of donated food inventories at all storage facilities used by the distributing agency (or subdistributing agency), and must reconcile physical and book inventories of donated foods. The distributing agency must report donated food losses to FNS, and ensure that restitution is made for such losses.

(c) *Inventory limitations.* The distributing agency is subject to the following limitations in the amount of donated foods on-hand, unless FNS approval is obtained to maintain larger inventories:

(1) For TEFAP, NSLP and other child nutrition programs, inventories of each category of donated foods may not exceed an amount needed for a six-month period, based on an average amount of donated foods utilized in that period; and

(2) For CSFP and FDPIR, inventories of each category of donated food in the food package may not exceed an amount needed for a three-month period, based on an average of donated food that the distributing agency can reasonably utilize in that period to meet CSFP caseload or FDPIR average participation.

(d) *Inventory protection.* The distributing agency must obtain insurance to protect the values of donated foods at its storage facilities. The amount of such insurance must be at least equal to the average monthly values of donated food inventories at such facilities in the previous fiscal year. The distributing agency must also ensure the following entities obtain insurance to protect the values of their donated food inventories, in the same amount required by the distributing agency in this paragraph (d):

(1) Subdistributing agencies;

(2) Recipient agencies in household programs that have an agreement with the distributing agency or subdistributing agency to store and distribute foods (except those recipient agencies which maintain inventories with a value of donated foods that do not exceed a defined threshold, as determined in FNS policy); and

(3) Commercial storage facilities under contract with the distributing agency or with an agency identified in paragraph (d)(1) or (2) of this section.

(e) *Transfer of donated foods.* The distributing agency may transfer donated foods from its inventories to another distributing agency, or to another program, in order to ensure that such foods may be utilized in a timely manner and in optimal condition, in accordance with this part. However, the distributing agency must request FNS approval. FNS may also require a distributing agency to transfer donated foods at the distributing agency's storage facility or at a processor's facility, if inventories of donated foods are excessive or may not be efficiently utilized. If there is a question of food safety, or if directed by FNS, the distributing agency must obtain an inspection of donated foods by State or local health authorities, as necessary, to ensure that the donated foods are still safe and not out-



of-condition before transferring them. The distributing agency is responsible for meeting any transportation or inspection costs incurred, unless it is determined by FNS that the transfer is not the result of negligence or improper action on the part of the distributing agency. The distributing agency must maintain a record of all transfers from its inventories, and of any inspections related to such transfers.

(f) *Commercial storage of facilities or carriers.* The distributing agency may obtain the services of a commercial storage facility to store and distribute donated foods, or a carrier to transport donated foods, but must do so in compliance with procurement requirements in 2 CFR part 200, subpart D, and USDA implementing regulations at 2 CFR parts 400 and 416. The distributing agency must enter into a written contract with a commercial storage facility or carrier, which may not exceed five years in duration, including any extensions or renewals. The contract must include applicable provisions required by Federal statutes and executive orders listed in 2 CFR part 200, appendix II, Contract Provisions for Non-Federal Contracts Under Federal Awards, and USDA implementing regulations at 2 CFR parts 400 and 416. The contract must also include, as applicable to a storage facility or carrier, provisions that:

- (1) Assure storage, management, and transportation of donated foods in a manner that properly safeguards them against theft, spoilage, damage, or other loss, in accordance with the requirements in this part;
- (2) Assure compliance with all Federal, State, or local requirements relative to food safety and health, including required health inspections, and procedures for responding to a food recall;
- (3) Assure storage of donated foods in a manner that distinguishes them from other foods, and assure separate inventory recordkeeping of donated foods;
- (4) Assure distribution of donated foods to eligible recipient agencies in a timely manner, in optimal condition, and in amounts for which such recipient agencies are eligible;
- (5) Include the amount of insurance coverage obtained to protect the value of donated foods;
- (6) Permit the performance of on-site reviews of the storage facility by the distributing agency, the Comptroller General, the Department of Agriculture, or any of its duly authorized representatives, in order to determine compliance with requirements in this part;
- (7) Establish the duration of the contract, and provide the extension or renewal of the contract only upon fulfillment of all contract provisions;
- (8) Provide for expeditious termination of the contract by the distributing agency for noncompliance with its provisions; and

- (9) Provide for termination of the contract by either party for other cause, after written notification of such intent at least 60 days prior to the effective date of such action.

#### Section 250.16 Claims and restitution for donated food losses.

- (a) *Distributing agency responsibilities.* The distributing agency must ensure that restitution is made for the loss of donated foods, or for the loss or improper use of funds provided for, or obtained as an incident of, the distribution of donated foods. The distributing agency must identify, and seek resolution from, parties responsible for the loss, and implement corrective actions to prevent future losses.
- (b) *FNS claim actions.* FNS may initiate and pursue claims against the distributing agency or other entities for the loss of donated foods, or for the loss or improper use of funds provided for, or obtained as an incident of, the distribution of donated foods. FNS may also initiate and pursue claims against the distributing agency for failure to take required claim actions against other parties. FNS may, on behalf of the Department, compromise, forgive, suspend, or waive a claim. FNS may, at its option, require assignment to it of any claim arising from the distribution of donated foods.

#### Section 250.19 Recordkeeping requirements.

- (a) *Required records.* Distributing agencies, recipient agencies, processors and other entities must maintain records of agreements and contracts, reports, audits, and claim actions, funds obtained as an incident of donated food distribution, and other records specifically required in this part or in other Departmental regulations, as applicable. In addition, distributing agencies must keep a record of the value of donated foods each of its school food authorities receives, in accordance with §250.58(e), and records to demonstrate compliance with the professional standards for distributing agency directors established in §235.11(g) of this chapter. Processors must also maintain records documenting the sale of end products to recipient agencies, including the sale of such end products by distributors, and must submit monthly performance reports, in accordance with subpart C of this part and with any other recordkeeping requirements included in their agreements. Specific recordkeeping requirements relating to the use of donated foods in contracts with food service management companies are included in §250.54. Failure of the distributing agency, recipient agency, processor, or other entity to comply with recordkeeping requirements must be considered prima facie evidence of improper distribution or loss of donated foods and may result in a claim against such party for the loss or misuse of donated foods, in accordance with §250.16, or in other sanctions or corrective actions.

- (b) *Retention of records.* Records relating to requirements for donated foods must be retained for a period of three years from the close of the fiscal or school year to which they pertain. However, records pertaining to claims or audits that remain unresolved in this period of time must be retained until such actions have been resolved.

Section 250.21 Distributing agency reviews.

- (a) *Scope of review requirements.* The distributing agency must ensure that subdistributing agencies, recipient agencies, and other entities comply with applicable requirements in this part, and in other Federal regulations, through the on-site reviews required in paragraph (b) of this section, and the review of required reports or audits. However, the distributing agency is not responsible for the review of school food authorities and other recipient agencies in child nutrition programs. The State administering agency is responsible for the review of such recipient agencies, in accordance with review requirements of part 210 of this chapter.
- (b) *On-site reviews.* The distributing agency must conduct an on-site review of:
- (1) Charitable institutions, whenever the distributing agency identifies actual or probable deficiencies in the use of donated foods by such institutions, through audits, investigations, complaints, or any other information;
  - (2) Storage facilities at the distributing agency level (including commercial storage facilities under contract with the distributing or subdistributing agency), on an annual basis; and
  - (3) Subdistributing and recipient agencies in CSFP, TEFAP, and FDPIR, in accordance with 7 CFR parts 247, 251, 253, respectively.
- (c) *Identification and correction of deficiencies.* The distributing agency must inform each subdistributing agency, recipient agency, or other entity of any deficiencies identified in its reviews, and recommend specific actions to correct such deficiencies. The distributing agency must ensure that such agencies or entities implement corrective actions to correct deficiencies in a timely manner.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-004** The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure provider payments were allowable and met cost principles for the Special Supplemental Nutrition Program for Women, Infants and Children.

<b>CFDA Number and Title:</b>	10.557 Special Supplemental Nutrition Program for Women, Infants and Children 10.557 COVID-19 Special Supplemental Nutrition Program for Women, Infants and Children
<b>Federal Grantor Name:</b>	U.S. Department of Agriculture
<b>Federal Award/Contract Number:</b>	207WAWA7W1003; 207WAWA7W1006; 21WAWA7W6003; 21WAWA7W6006; 21WAWA7W7003; 21WAWA7W1003; 21WAWA7W1006
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs / Cost Principles
<b>Known Questioned Cost Amount:</b>	\$6,711,342

### *Background*

The Department of Health (Department) operates the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). WIC is funded exclusively with federal grants from the U.S. Department of Agriculture. WIC serves pregnant women, new and breastfeeding moms, and children younger than 5 years old who are at or below 185 percent of the federal poverty level. WIC provides:

- Nutrition ideas and tips on how to eat well and be more active
- Breastfeeding support, such as access to a peer counselor and breast pumps (varies by clinic)
- Health screenings and referrals
- Monthly benefits for healthy food, such as milk, cereal, fruits and vegetables

To help carry out the objectives of the WIC program, the Department issues subawards to Local Health Jurisdictions, nonprofit organizations and tribal governments. Subrecipients are awarded federal funds on a reimbursement basis only. The Department assigns each subrecipient a risk level based on standardized criteria. The Department maintains a documentation matrix that specifies the documentation that subrecipients are required to submit with each reimbursement for each risk level. There are varying requirements among low, moderate, and high-risk subrecipients for each of the following expense categories:

- Salaries and wages
- Fringe benefits
- Equipment
- Materials and supplies
- Travel costs (in-state and out-of-state)
- Subcontracts
- Administrative/indirect costs
- Other miscellaneous expenses (as specified under the subaward)

The Department spent over \$83.5 million in federal grant funds during fiscal year 2021. Of this amount, it paid about \$28.8 million to providers for direct client services.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with requirements to ensure provider payments were allowable and met cost principles for the WIC program.

During the audit period, Department program managers used the documentation matrix when reviewing subrecipient payment requests to ensure payments were for allowable activities, met cost principles and included required supporting documentation. We used a statistical sampling method to randomly select 57 out of 700 payments to review. Additionally, we judgmentally reviewed two individually significant payments that exceeded \$1.5 million each. In total, we examined more than \$12.4 million in provider payments as part of the audit.

Of the 59 payments examined, we identified 22 payments that did not have the required supporting documentation for the assigned risk level. This included the two individually significant payments.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

## *Cause of Condition*

The Department has established policies and procedures for evaluating payment requests, but management did not ensure staff followed them. Although the payment requests contained program manager signatures to indicate they performed a review, the required supporting documentation was not submitted or reviewed in accordance with Department policy.

## *Effect of Condition and Questioned Costs*

Without establishing adequate internal controls, the Department cannot reasonably ensure it using federal funds for allowable purposes. Additionally, by not ensuring subrecipients submitted proper supporting documentation so staff could verify their reimbursement claims, the Department cannot ensure its subrecipients have complied with the terms and conditions of the subaward.

We used a statistical sampling method to randomly select the reimbursements we examined in the audit. The 22 payments for which the Department did not have adequate documentation from subrecipients to support their reimbursement requests totaled \$6,711,342 in known questioned costs. Based on these results, we estimate that the total amount of likely improper payments using federal funds to be \$12,329,235.

Our sampling methodology meets statistical sampling criteria under generally accepted auditing standards in AU-C 530.05. It is important to note that the sampling technique we used is intended to support our audit conclusions by determining if expenditures complied with program requirements in all material respects. Accordingly, we used an acceptance sampling formula designed to provide a high level of assurance, with a 95 percent confidence of whether exceptions exceeded our materiality threshold. Our audit report and finding reflects this conclusion. However, the likely improper payment projections are a point estimate and only represent our “best estimate of total questioned costs” as required by 2 CFR 200.516(3). To ensure a representative sample, we stratified the population by dollar amount.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

## *Recommendations*

We recommend the Department:

- Improve internal controls, including its internal monitoring processes, to ensure that it obtains adequate supporting documentation from subrecipients before reimbursing them
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

## ***Department's Response***

*We appreciate the State Auditor's Office (SAO) audit of the Women, Infant and Children grant. The Department is committed to ensuring our programs comply with federal regulations and understand that it is SAO's point of view that we did not have adequate controls over provider payments to ensure allowability in meeting cost principles.*

*The Department partially agrees with SAO's findings. The Department does agree and has already taken steps to improve internal controls over ensuring payments to providers contain support per our internal policies and procedures. However, we would respectfully disagree with the number of exceptions and questioned costs identified. While the level of support did not meet our internal policies, which are held to a higher standard than federal requirements, the totality of our subrecipient monitoring processes and level of documentation received from the subrecipient accounting system gave us assurance that many of the transactions/costs questioned met federal cost principles for allowability. Per our review of the 22 exceptions identified by the auditor's office, we identified only five payments that did not contain any support from the subrecipient for a revised total of known questioned costs of \$273,614. This, along with the following additional overall internal subrecipient monitoring and policy processes support our overall assurance of the allowability of payments:*

- Each of the subrecipients of WIC funds receives a monitoring visit from our Fiscal Monitoring Unit (FMU) once every two years. During the course of these visits monitoring staff perform walk-through's and assessments of the internal controls surrounding the A19 payments process and select the most recent three A19's submitted for WIC funding and agree all charges to the source documentation from the subrecipient for allowability using the costs principles and criteria as a basis. It is determined via a risk-based approach if these visits will be virtual or on-site visit;*
- WIC program monitoring staff also perform annual onsite visits at a minimum and perform critical reviews of program activities to ensure WIC processes and costs charged to the program are for allowable purposes and are in alignment with programmatic rules related to the Women, Infants and Children Program;*
- Detailed budgets for WIC are submitted by the subrecipient, by project, reviewed and approved by Program staff annually and as A19's are submitted program fiscal staff keep updated budget to actual spreadsheets, and while they review the support provided by the subrecipient, they ensure amounts submitted by project are reasonable and are in alignment with expectations for the budget period submitted;*
- The WIC program has an allowable cost policy chapter, purchase and procurement chapter, that is provided to the subrecipients.*
- FMU regularly provides technical assistance and training, not only to WIC fiscal program staff, but to the subrecipients while onsite and at the request of the entities receiving WIC funding; and*

- *Program staff regularly provide technical assistance, policies, and training to WIC subrecipients related to both allowability and compliance as it relates to WIC programmatic processes.*

### ***Auditor's Remarks***

The processes listed in the Department's response were not presented to us by management as internal controls over the compliance requirement of activities allowed during the audit and therefore were not examined and tested.

Not considering the expenditures disputed by the Department, the five exceptions would still represent a material weakness in internal controls as well as material noncompliance with the compliance requirement.

We reaffirm our finding and will follow up on the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance



with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

#### Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

#### Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in

accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-005 The Employment Security Department did not have adequate internal controls over and did not comply with federal requirements to conduct case reviews for the Benefit Accuracy Measurement program of the Unemployment Insurance program in a timely manner.**

**CFDA Number and Title:** 17.225 Unemployment Insurance  
17.225 COVID-19 Unemployment Insurance

**Federal Grantor Name:** U.S. Department of Labor

**Federal Award/Contract Number:** UI-35977-21-60-A-53; UI-34092-20-55-A-53;  
UI-34198-20-55-A-53; UI-34528-20-60-A-53;  
UI-34748-20-55-A-53; UI-34890-20-55-A-53;  
UI-35682-21-55-A-53; UI-35737-21-55-A-53

**Pass-through Entity Name:** None

**Pass-through Award/Contract Number:** None

**Applicable Compliance Component:** Special Tests and Provisions: UI Benefit Payments

**Known Questioned Cost Amount:** None

### ***Background***

The Unemployment Insurance program was created by the Social Security Act (SSA), and provides benefits under the Unemployment Compensation program to unemployed workers for periods of involuntary unemployment. It provides a stabilizing effect on the economy by maintaining the spending power of eligible workers while they are between jobs.

The Improper Payment Elimination and Recovery Act (IPERA) of 2010 requires the State Workforce Agencies to maintain a quality control system. The Benefits Accuracy Measurement (BAM) program is the U.S. Department of Labor's quality control system designed to assess the accuracy of Unemployment Insurance benefit payments and denied claims. The program estimates error rates and dollar amounts of benefits improperly paid or denied by projecting the results from investigations in a state. For fiscal year 2021, the U.S. Department of Labor waived the requirement for states' review of denied claims, but not paid claims.

The Employment Security Department (Department) administers the state's Unemployment Insurance program. During fiscal year 2021, the Department paid more than \$12.1 billion dollars in unemployment insurance benefits to more than 877,000 people.

Under the BAM program, the Department is required to draw a weekly sample of payments and denied claims. The Department must complete this sampling promptly and conduct an in-depth investigation of the claims to determine the degree of accuracy in administering the state's Unemployment Compensation program and compliance with federal law (20 CFR 602.21(d)). The Department has established a dedicated BAM unit to meet these requirements.

The Unemployment Insurance Program Letter No. 12-19 indicates the timeframe and requirements for conducting BAM program case sampling. States must complete reviews of:

- 95 percent of the sampled cases within 90 days of the week ending date of the batch; and
- 98 percent of sampled cases within 120 days of the ending date of the annual report period.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported that the Department did not have adequate internal controls over and did not comply with federal requirements to conduct case reviews for the BAM program of the Unemployment Insurance program in a timely manner. The prior finding number was 2020-011.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with federal requirements to operate a BAM program and assess the accuracy of Unemployment Insurance benefit payments.

The Department did not effectively recruit, develop and retain staff to ensure it materially complied with the BAM program's case review requirements.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### *Cause of Condition*

The Department did not have adequate staffing resources to meet BAM program requirements. According to management, the program has struggled to maintain adequate staffing due to attrition and funding. Also, once staff are hired, it takes considerable time to train new employees to complete case sampling. Staff appointed to assist the Department's BAM unit in response to the prior audit finding left employment during the audit period, making it difficult for the Department to complete investigations in a timely manner. The Department was unable to fill these vacant positions during the audit period.

### ***Effect of Condition***

The Department did not comply with the federally required timelines for completing its case sampling. Specifically, we found the Department completed only 64 percent of its sampled cases within 90 days of the week ending date of the batch. This was materially noncompliant with the BAM program's timeliness requirements.

By not complying with the federally required timelines for completing case sampling, the Department cannot fully evaluate the accuracy of its claim decisions and is less likely to detect fraudulent payments.

### ***Recommendation***

We recommend the Department allocate the necessary staffing resources to ensure it complies with the U.S. Department of Labor's timelines for BAM case sampling.

### ***Department's Response***

*The Department concurs with this finding and recommendation.*

*The BAM unit has, since 2019, continued to improve on the staffing model within the unit and ensure compliance is met through training, sufficient staffing, and contingency planning. The unit has recently hired three additional staff to fill prior vacancies that now put the unit at full staff capacity to ensure the USDOL Acceptable Levels of Performance (ALPs) are met.*

*ESD continues to partner and frequently communicate with USDOL Regional Offices to discuss staffing and training models. The Quality Assurance Manager and the Case Review Supervisor are committed to routinely monitor caseload, workload, and the overall assurance of meeting the BAM operations performance goals and measures as set forth by USDOL.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.



Title 20 U.S. Code of Federal Regulations (CFR) Part 602, *Quality Control in the Federal-State Unemployment Insurance System* – Subpart B – Federal Requirements, establishes the following applicable requirements:

Section 602.21 – Standard methods and procedures, states in part:

Each State shall:

- a. Perform the requirements of this section in accordance with instructions issued by the Department, pursuant to 602.30(a) of this part, to ensure standardization of methods and procedures in a manner consistent with this part;
- b. Select representative samples for QC study of at least a minimum size specified by the Department to ensure statistical validity,
- f. Furnish information and reports to the Department, including weekly transmissions of case data entered into the automated QC system and annual reports,

The U.S. Department of Labor, Employment and Training Administration *Benefit Accuracy Measurement State Operations Handbook – ET Handbook No. 395, 5<sup>th</sup> Edition*, Chapter VI Investigative Procedures, Section 13. Completion of Cases and Timely Data Entry, states in part:

The following time limits are established for completion of all cases for the year. (The “year” includes all batches of weeks ending in the calendar year.):

- a minimum of 70 percent of cases must be completed within 60 days of the week ending date of the batch, and 95 percent of cases must be completed within 90 days of the week ending date of the batch; and
- a minimum of 98 percent of cases for the year must be completed within 120 days of the ending date of the calendar year.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-006 The Employment Security Department did not have adequate internal controls over fiscal monitoring requirements to ensure subrecipients of the Workforce Innovation and Opportunity Act program only used funds for allowable purposes.**

**CFDA Number and Title:** 17.258 Workforce Innovation and Opportunity Adult Program  
17.259 Workforce Innovation and Opportunity Youth Activities  
17.278 Workforce Innovation and Opportunity Dislocated Worker Formula Grants

**Federal Grantor Name:** U.S. Department of Labor

**Federal Award/Contract Number:** AA-32219-18-55-A53, AA-33263-19-55-A-53, AA-34801-20-55-A-53, AA-32219-18-55-A-53 , AA-33263-19-55-A-53, AA-34801-20-55-A-53, AA-32219-18-55-A-53 , AA-33263-19-55-A-53, AA-34801-20-55-A-53

**Pass-through Entity Name:** None

**Pass-through Award/Contract Number:** None

**Applicable Compliance Component:** Activities Allowed or Unallowed, Subrecipient Monitoring

**Known Questioned Cost Amount:** None

### *Background*

The Employment Security Department (Department) receives federal funding for the Workforce Innovation and Opportunity Act (WIOA) grant from the U.S. Department of Labor (DOL). WIOA authorizes formula grant programs to states to help job seekers access employment, education, training and support services to succeed in the labor market. WIOA provides employment and training programs for adults, dislocated workers, youth and Wagner-Peyser Act employment services administered by DOL.

The state subawards a large portion of the federal funds it receives to 12 Local Workforce Development Boards (LWDBs) that provide employment assistance to people. The Department spent about \$66.9 million in federal funds for the WIOA cluster in state fiscal year 2021. Of this

amount, the Department paid about \$63.7 million to the LWDBs. Additionally, the Department asserts over 50 percent of these funds are passed on from the LWDB's to their local partners.

When LWDBs request WIOA funds from the Department, they submit high-level supporting documentation like expenditure summary reports from an accounting system. To ensure federal funds are used only for allowable purposes and meet cost principles, the Department performs onsite monitoring of each LWDB every year. The onsite monitoring includes a review of a selection of reimbursement requests the LWDB has submitted since the last onsite monitoring visit. During the time between monitoring visits, each LWDB is authorized to spend federal funds from multiple subawards that the Department has issued.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Department did not have adequate internal controls over fiscal monitoring requirements to ensure subrecipients of the WIOA program only used funds for allowable purposes. The prior finding numbers were 2020-013 and 2019-012.

### *Description of Condition*

The Department did not have adequate internal controls over fiscal monitoring requirements to ensure subrecipients of the WIOA program only used funds for allowable purposes.

When determining which expenditures to review during an onsite monitoring visit, Department staff responsible for conducting the visit judgmentally select a sample of reimbursements made to the LWDB since the last onsite visit. The Department has procedures that describe its subrecipient monitoring process, but they do not provide staff guidance on how to:

- Determine how many expenditures they need review to give the Department reasonable assurance the LWDB spent WIOA funds in accordance with federal law
- Determine what criteria should be considered when selecting reimbursements for review
- Document the judgment they used when selecting reimbursements for review

We consider this internal control deficiency to be a material weakness.

### *Cause of Condition*

Management said they believed the Department's design of its monitoring practices, contract closeout process and subrecipient audits were sufficient for detecting unallowable or unsupported costs that the LWDBs claimed for reimbursement. However, the Department's subrecipient monitoring process was not designed to compensate for the fact that LWDBs do not provide detailed supporting documentation when they request reimbursement.

## ***Effect of Condition***

By not performing adequate fiscal monitoring over subrecipients, the Department is at a higher risk of not detecting or preventing unallowable activities and costs from being charged to the federal grant.

Allowing staff to select samples judgmentally without adequate guidance from management does not provide the Department with reasonable assurance that LWDBs spent program funds in accordance with grant requirements and federal regulations. This may also lead to inconsistent and potentially inequitable fiscal oversight of the LWDBs. Additionally, because the reviewers do not document how they selected expenditures for review or how they achieved adequate coverage for the required level of assurance, management cannot perform sufficient oversight to ensure the Department has met federal requirements.

These weaknesses have a greater effect on the Department's ability to ensure LWDBs spent WIOA funds in accordance with federal law because it has chosen not to receive or review any detailed support for reimbursements at the time when LWDBs submit them to the Department. Therefore, the Department relies almost solely on its fiscal monitoring process to gain this assurance.

## ***Recommendations***

We recommend the Department:

- Strengthen its monitoring of LWDBs to ensure they are only using federal funds for allowable purposes
- Develop written policies and procedures that provide guidance to staff on how to perform fiscal monitoring reviews

## ***Department's Response***

*The Department respectfully disagrees with the finding. We appreciate the State Auditor's Office's (SAO) work. We believe the Department has complied fully with federal requirements regarding the oversight of funds provided to Workforce Development Councils (WDC's) as part of the Workforce Innovation and Opportunity Act (WIOA) implementation in Washington State (2 CFR § 200.331).*

*The Employment Security Department (ESD) is committed to ensuring our programs comply with federal regulations and understand that it is SAO's assertion that we did not have adequate internal controls over fiscal monitoring of our subrecipients.*

*We disagree with SAO's conclusions regarding the description of our condition. ESD provides staff guidance on what are allowable activities for the WIOA program, on how many expenditures*

*to review, and what criteria to use when selecting reimbursements for review in the form of daily and weekly meetings as well as utilization of our risk assessments.*

*It is always our goal to follow all federal criteria when performing monitoring of subrecipients and oversight of the grant. SAO was unable to provide us with specific criteria regarding reasonable assurance that would allow us to improve our internal controls to fit their expectations and address the issues they raised in this finding. We referenced the Uniform Guidance regarding required and considered actions for a subrecipient monitoring program:*

*Based on Uniform Guidance (UG) we must:*

- *Perform a Subrecipient vs Contractor Determination.*
- *Enter UG information into the subaward.*
- *Accept Federally negotiated rate where applicable.*
- *Perform a risk assessment.*
- *Review the Reporting sent by the subrecipient.*
- *Issue Management Letters to ensure the Subrecipient acts against deficiencies.*
- *Verify the Subrecipient had / needs a Single Audit.*

*Per the UG, monitoring agencies should consider:*

- *If more monitoring is required.*
- *Providing additional monitoring thru technical assistance and training.*
- *Perform on-site Reviews or agreed upon procedures.*
- *Develop a policy and process for subrecipient monitoring that is centered around the risk assessment analysis.*

*ESD performs all required functions and has also implemented all the actions monitoring agencies should consider. During USDOL's annual reviews, they have consistently cited how thorough ESD's monitoring processes are. This is further evidenced by the following promising practices they identified during some of their recent visits:*

- *On February 4, 2022, USDOL reported ESD's risk assessments take into consideration factors including staff turnover, existence of unresolved monitoring findings, expenditure rates, and current investigations of the recipient. Additionally, other important factors that may indicate a higher risk for compliance or other grant management issues are taken into consideration. The assessments enable ESD to provide targeted technical assistance to its subrecipients to help prevent potential issues.*
- *On January 29, 2021, USDOL reported our monitoring process and tool is a cooperative, collaborative approach that helps to build capacity and compliance.*

- *In 2017, USDOL reported ESD developed monitoring processes that not only fulfill the State’s monitoring requirements but add a strong focus on providing technical assistance and on-the-spot corrections. In addition, ESD has developed a set of monitoring tools that have been adopted by many of the LDWB’s and could be shared nationwide.*

*ESD has been and remains committed to ongoing reviews of our processes with a continual aim to enhance our internal controls if needed.*

### ***Auditor’s Remarks***

The Department did not provide our Office with any documentation that outlines the requirements for selecting samples of reimbursements to review for WIOA subrecipient monitoring visits. The Department’s Workforce Innovation and Opportunity Act Policy 5414 (WIOA Title I Monitoring), Section 3(b)(1) *Scope of Monitoring Reviews – Administrative and Financial Management*, states:

“This review area includes, but is not limited to, an evaluation of the LWDB and sub-committees, the WorkSource system, administrative and financial policies and practices, and sub-recipient monitoring and oversight according to applicable federal and state legislation, regulations, policies and guidance, and OMB Circulars and Uniform Guidance. ESD Workforce Monitoring Unit will conduct this evaluation via document review and sample selection.”

There is no written guidance concerning the amount or number of transactions that should be reviewed during the evaluation, nor does the policy identify the criteria to be applied in selecting transactions for review. This is further supported by the Department’s assertion in its response above that guidance was issued to staff informally through meetings and discussions, which we could not verify occurred during the audit period. It is our opinion that without formally communicating sampling requirements to the WIOA Monitoring Unit staff, the Department has not established adequate internal controls over the Federal award that provide management with reasonable assurance that subrecipient activities are compliant with federal program requirements, and performance goals have been achieved.

In addition, the evaluations we examined as part of this audit did not contain any documentation of the evaluator’s judgment or criteria used to select individual transactions from each LWDB to review. Without this information, management cannot ensure that the results of each LWDB review provide reasonable assurance of compliance with WIOA program requirements.

While the Department asserts it is meeting federal requirements for monitoring subrecipients, this finding also addresses the Department’s lack of internal controls over the Activities Allowed compliance requirement. The Department’s decision not to review supporting documentation at the time payment are made to subrecipients means that the monitoring of subrecipients is also

being relied on to ensure all payments are only for allowable activities. In our judgment, the processes in place are not sufficient to give the Department that level of assurance.

We reaffirm the audit finding and will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.302 Financial management, states in part:

- (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.
- (b) The financial management system of each non-Federal entity must provide for the following (see also §§ 200.334, 200.335, 200.336, and 200.337):
  - (3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated

Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section 200.329 Monitoring and reporting program performance, states in part:

- (a) Monitoring by the non-Federal entity. The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved.

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

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is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-007 The Employment Security Department did not have adequate internal controls over and did not comply with requirements to ensure it submitted complete and accurate quarterly performance reports for the Workforce Innovation and Opportunity grant.**

**CFDA Number and Title:** 17.258 Workforce Innovation and Opportunity Adult Program  
17.259 Workforce Innovation and Opportunity Youth Activities  
17.278 Workforce Innovation and Opportunity Dislocated Worker Formula Grants

**Federal Grantor Name:** U.S. Department of Labor

**Federal Award/Contract Number:** AA-32219-18-55-A53, AA-33263-19-55-A-53, AA-34801-20-55-A-53, AA-32219-18-55-A-53, AA-33263-19-55-A-53, AA-34801-20-55-A-53, AA-32219-18-55-A-53, AA-33263-19-55-A-53, AA-34801-20-55-A-53

**Pass-through Entity Name:** None

**Pass-through Award/Contract Number:** None

**Applicable Compliance Component:** Reporting

**Known Questioned Cost Amount:** None

### *Background*

The Employment Security Department (Department) receives federal funding for the Workforce Innovation and Opportunity Act (WIOA) grant from the U.S. Department of Labor (DOL). WIOA authorizes formula grant programs to states to help job seekers access employment, education, training and support services to succeed in the labor market. WIOA provides employment and training programs for adults, dislocated workers, youth and Wagner-Peyser Act employment services administered by DOL.

DOL requires that the Department complete performance reports using a standardized Participant Individual Record Layout (PIRL). The Department must file the PIRL every quarter using the DOL's Workforce Integrated Performance System. DOL also requires that states develop data validation procedures related to the PIRL that include:

- Written description of the process for identifying and correcting errors or missing data, which may include electronic data checks;
- Regular data validation training for appropriate program staff;
- Monitoring protocols, consistent with 2 CFR 200.328;
- A regular review of program data for errors, missing data, out-of-range values and anomalies;
- Documentation that missing and erroneous data identified during the review process have been corrected; and
- Regular assessment of the effectiveness of the data validation process and revisions to the process as needed.

The Department uses the Efforts to Outcome (ETO) system to determine if participants are eligible for programs under the WIOA grant. Local Workforce Development Boards (LWDB) enter participant information into ETO, and DOL requires the Department to perform validation procedures to ensure participant data is accurate and complete. Additionally, ETO tracks participants' progress while in the program and upon completion. The Department uses data captured in ETO to compile the data elements reported on the PIRL.

In state fiscal year 2021, the Department spent about \$66.9 million in federal WIOA grant funds.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure it submitted complete and accurate quarterly performance reports for the WIOA grant. The prior finding number was 2020-012.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with requirements to ensure it submitted complete and accurate quarterly performance reports for the WIOA grant.

The Department did not establish an effective review process to ensure data elements of the PIRL quarterly reports were accurate and complete before submitting them to DOL. The Department also did not have adequate written data validation procedures for the PIRL report, as DOL requires.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### *Cause of Condition*

A contracted vendor extracts participant data from a large database and then uses customized code to transform it to produce the data the Department uses to create the PIRL reports. After the prior audit, the Department found an error in the PIRL data script, which the Department plans to correct by February 2022.

Because of insufficient staffing resources, the Department did not review this process to ensure the code the vendor produced correctly pulled the data.

### *Effect of Condition*

We verified the Department submitted all four quarterly PIRL reports to the DOL, as required during fiscal year 2021. We obtained and examined all four reports to determine if the Department accurately prepared them. To identify a population of WIOA participants, data elements 903, 904, and 905 are critical because they represent whether a client participated in the program. Each data element must be completed with one of the following allowable coding options:

- 0 — Participant did not receive services
- 1 — Yes, Local Formula
- 2 — Yes, Statewide
- 3 — Yes, Both Local Formula and State
- 4 — Reportable Individual

We found participants listed in the reports were missing one or more data elements for 903, 904 and 905. The following tables show the proportion of the fields that were blank compared to the total number of fields.

Data Element 903

Quarter	Blanks	Total	Percent
1	172,656	385,306	<b>44.81%</b>
2	170,139	368,745	<b>46.14%</b>
3	166,908	355,777	<b>46.91%</b>
4	161,432	341,679	<b>47.25%</b>

Data Element 904

Quarter	Blanks	Total	Percent
1	173,074	385,306	<b>44.92%</b>
2	170,473	368,745	<b>46.23%</b>
3	167,183	355,777	<b>46.99%</b>
4	161,653	341,679	<b>47.31%</b>

Data Element 905

Quarter	Blanks	Total	Percent
1	173,072	385,306	44.92%
2	170,469	368,745	46.23%
3	167,181	355,777	46.99%
4	161,653	341,679	47.31%

We could not determine the total population of WIOA participants for testing because these data elements were incomplete and inaccurate. Without complete data, the Department could not demonstrate compliance with reporting requirements nor accurately inform its federal grantor of its current level of program participation.

### **Recommendation**

We recommend the Department:

- Update written validation procedures for the PIRL report to meet DOL requirements
- Train LWDB on PIRL data element reporting requirements to ensure they enter all required information into ETO
- Establish a review process to ensure it submits complete and accurate quarterly PIRL reports
- Ensure all required elements are completed for participants listed in the PIRL reports before submitting them to DOL

### **Department's Response**

*The Department concurs with the finding.*

*We would like to thank the Office of the State Auditor (SAO) for their work on this area to ensure job seekers in Washington state can access employment, education, training, and support services to succeed in the labor market.*

*We have outlined our response below with respect to the recommendations made by SAO.*

**SAO recommendation:** *Ensure all required elements are completed for participants listed in the PIRL reports before submitting them to DOL.*

*ESD has updated our scripts and they are now reflecting zero blank elements submitted and showing only allowable values. In addition to SAO's recommendation, ESD is implementing, as a long-term solution, a new case management system.*

**SAO recommendation:** *Update written validation procedures for the PIRL report to meet DOL requirements.*

*The Data Integrity, Policy and Monitoring teams have completed their Data Element Validation (DEV) policy update, submitted it to DOL and are actively executing DEV per DOL expectations.*

*DOL has not provided guidance or definitions through a Training Employment Guidance Letter or Training Employment Notice related to the designation of a reportable individual. Once issued, we can more effectively train stakeholders, update policy, and hold local areas accountable to what a reportable individual count would be.*

*We will also work with our vendors who provide the data extract from Efforts to Outcome to ensure scripting produces the required outcome.*

***SAO recommendation:*** *Train LWDB on PIRL data element reporting requirements to ensure they enter all required information into ETO.*

*ESD's Data Integrity, Policy and Monitoring teams have established a technical assistance PIRL reporting process focused on continuous improvement practices including root cause analysis to guide existing and new trainings. This process has been in place since Q2 2021.*

*We also offer and execute 1:1 specialized technical assistance and training as requested by local areas and one-stop centers.*

***SAO recommendation:*** *Establish a review process to ensure it submits complete and accurate quarterly PIRL reports.*

*The Data Integrity team is heavily involved in the automation and standardization of the Quarterly Report Analysis (QRA) process. Thus far, we have concentrated on setting up a sustainable process and we are working on evaluating all defined areas in the most recent QRAs provided to date.*

*The QRA is in its pilot phase with DOL, and Washington State has proactively established a system and reporting structure prior to it being formally required by DOL. We are seeking and receiving technical assistance with DOL as it relates to the PIRL to further establish internal controls and effectively manage data validation, quality, and integrity.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.329 Monitoring and reporting program performance, states in part:

- (a) Monitoring by the non-Federal entity. The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See also §200.332.
- (b) Reporting program performance. The Federal awarding agency must use OMB-approved common information collections, as applicable, when providing financial and performance reporting information. As appropriate and in accordance with above mentioned information collections, the Federal awarding agency must require the recipient to relate financial data and accomplishments to performance goals and objectives of the Federal award. Also, in accordance with above mentioned common information collections, and when required by the terms and conditions of the Federal award, recipients must provide cost information to demonstrate cost effective practices (e.g., through unit cost data). In some instances (e.g., discretionary research awards), this will be limited to the requirement to submit technical performance reports (to be evaluated in accordance with Federal awarding agency policy). Reporting requirements must be clearly articulated such

that, where appropriate, performance during the execution of the Federal award has a standard against which non-Federal entity performance can be measured.

- (c) Non-construction performance reports. The Federal awarding agency must use standard, government wide OMB-approved data elements for collection of performance information including performance progress reports, Research Performance Progress Reports.

- (1) The non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes. Reports submitted annually by the non-Federal entity and/or pass-through entity must be due no later than 90 calendar days after the reporting period. Reports submitted quarterly or semiannually must be due no later than 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report submitted by the non-Federal entity and/or pass-through entity must be due no later than 120 calendar days after the period of performance end date. A subrecipient must submit to the pass-through entity, no later than 90 calendar days after the period of performance end date, all final performance reports as required by the terms and conditions of the Federal award. See also §200.344. If a justified request is submitted by a non-Federal entity, the Federal agency may extend the due date for any performance report.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is



material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, and paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either

individually or when aggregated with other noncompliance, to the affected government program.

*Training and Employment Guidance Letter (TEGL) WIOA No. 07-18, dated December 19, 2018 - Operating Guidance for the Workforce Innovation and Opportunity Act*, states in part:

Guidance for Validating Jointly Required Performance Data Submitted under the Workforce Innovation and Opportunity Act (WIOA)

4. Joint Data Validation Framework. Data validation is a series of internal controls or quality assurance techniques established to verify the accuracy, validity, and reliability of data. Establishing a joint data validation framework based on a consistent approach shared by the Departments will ensure that all program data are consistent and accurately reflect the performance of each core program in each State. To that end, the purposes of validation procedures for jointly required performance data are to:

- Verify that the performance data reported by States to the Departments are valid, accurate, reliable, and comparable across programs;
- Identify anomalies in the data and resolve issues that may cause inaccurate reporting;
- Outline source documentation required for common data elements; and
- Improve program performance accountability through the results of data validation efforts.

While States must utilize a data validation strategy, the specific design, implementation, and periodic evaluation of that strategy is left to the discretion of the State so long as those strategies or procedures are consistent with these guidelines.

Data validation helps ensure the accuracy of the annual statewide performance reports, safeguards data integrity, and promotes the timely resolution of data anomalies and inaccuracies. As such, it is recommended that States incorporate their data validation procedures into their internal controls procedures, which are required by 2 Code of Federal Regulations (CFR) §200.303. State VR agencies should also consider related guidance issued in Rehabilitative Services Administration (RSA) Policy Directive 16-04.

Each State must develop data validation procedures that include:

- Written procedures for data validation that contain a description of the process for identifying and correcting errors or missing data, which may include electronic data checks;
- Regular data validation training for appropriate program staff (e.g., at least annually);

- Monitoring protocols, consistent with 2 CFR §200.328, to ensure that program staff are following the written data validation procedures and take appropriate corrective action if those procedures are not being followed;
- A regular review of program data (e.g., quarterly) for errors, missing data, out-of-range values, and anomalies;
- Documentation that missing and erroneous data identified during the review process have been corrected; and
- Regular assessment of the effectiveness of the data validation process (e.g., at least annually) and revisions to that process as needed.

Performance Accountability, Information, and Reporting System - OMB Control No. 1205-0521:

The report can be found by following this link:

[https://www.dol.gov/sites/dolgov/files/ETA/Performance/pdfs/ETA\\_9170\\_WIOA\\_PIRL\\_Final.pdf](https://www.dol.gov/sites/dolgov/files/ETA/Performance/pdfs/ETA_9170_WIOA_PIRL_Final.pdf)

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-008 The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to conduct program monitoring of subrecipients of the Highway Planning and Construction Cluster.**

<b>CFDA Number and Title:</b>	20.205 Highway Planning and Construction 20.205 COVID-19 Highway Planning and Construction 20.219 Recreational Trails Program 20.224 Federal Lands Access Program
<b>Federal Grantor Name:</b>	U.S. Department of Transportation
<b>Federal Award/Contract Number:</b>	Too numerous to list. All approved subaward projects under the Federal Highway Administration Stewardship and Oversight Agreement.
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Washington State Department of Transportation's (Department) Local Programs Office administers federal funding under the Highway Planning and Construction Cluster to local agencies throughout the state for highway construction projects. The Department spent about \$510 million on highway projects during fiscal year 2021. Of that amount, it passed through about \$221 million to local agencies as subawards.

Federal regulations require the Department to monitor the activities of its subrecipients to ensure they use subawards for authorized purposes and that activities comply with terms and conditions of the subaward and achieve performance goals. Specifically, monitoring efforts must include reviewing financial and programmatic reports required by the pass-through entity.

The Department also maintains its own requirements for subawards of federal funds, published in the Local Agency Guidelines (LAG) Manual. This manual outlines additional requirements the Department imposes on all subrecipients, including the requirement to undergo project audits,

documentation reviews during the project period of performance, and project management reviews (PMR) prior to closure of each federally funded construction project.

The Department revised the LAG Manual in June 2021 to provide for the selection of PMRs using a risk-based approach. The Department selects PMRs from ongoing projects it believes are at the highest risk of noncompliance. However, the U.S. Department of Transportation, Federal Highway Administration (FHWA), has stipulated in its Stewardship and Oversight Agreement (Agreement) with the Department that a PMR is conducted at least once every three years for each subrecipient.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Department did not have adequate internal controls over and did not comply with federal requirements to conduct program and fiscal monitoring of subrecipients for the Highway Planning and Construction Cluster. The previous finding numbers were 2020-016 and 2019-015.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with requirements to conduct program monitoring of subrecipients for the Highway Planning and Construction Cluster.

The Department did not ensure it completed PMRs of every subrecipient every three years, as required by the Agreement. We randomly selected and reviewed five of the nine PMRs scheduled during the audit period. We found the Department did not perform any of the five PMRs within three years of the previous completed review, as required.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### *Cause of Condition*

Despite this condition being reported in two prior audits, Department officials said they still believed that conducting on-site reviews during the closeout phase of a subrecipient's project was sufficient to provide reasonable assurance of the subrecipient's use of the federal subaward. During the audit period, the Department did not successfully renegotiate terms and conditions of the Agreement with FHWA to allow for a different methodology of selecting PMRs to conduct.

## ***Effect of Condition***

Without establishing adequate internal controls, the Department cannot reasonably ensure its subrecipients are using federal funds for allowable purposes. Additionally, without monitoring each subrecipient's use of federal funds, the Department does not have reasonable assurance that the subrecipient has complied with the terms and conditions of the subaward.

Failure to monitor each subrecipient's use of federal grant funds also violates the terms and conditions of the Agreement, which could result in the termination or suspension of the federal grant award.

## ***Recommendations***

We recommend the Department:

- Update its policies and procedures for subrecipient monitoring to comply with all FHWA regulations
- Improve internal controls to ensure it completes project management reviews for every active subrecipient at least once every three years, as required under the Agreement

## ***Department's Response***

*The Washington State Department of Transportation (WSDOT) appreciates the State Auditor's Office audit of the Federal Highway Program. WSDOT is committed to ensuring our programs comply with federal regulations.*

*The Department appreciates the Auditor's perspective on the Description of Condition and Effects of the Condition. The timing of the Auditor's finding comes as the Department is coordinating with FHWA to update its PMR process to a leading practice. This new process includes focusing on a more "risk-based approach" which will provide a higher level of oversight to the subrecipients. Technically, the finding is correct based on the language in the Stewardship Agreement with FHWA. FHWA is reluctant to formally open the Stewardship and Oversight agreement for revisions, as a new nationwide "template" is under development. Our risk-based program approach began in calendar year 2021 via a memo agreement with FHWA, and will be more formally adopted in calendar year 2022 via a memo acknowledgement and extension pending with FHWA.*

## ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
  - (1) Reviewing financial and performance reports required by the pass-through entity.
  - (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward.
- (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:



**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Title 23 U.S. Code of Federal Regulations, Chapter 1 – Federal-Aid Highways, Section 106:

Project approval and oversight, states in part:

(g) Oversight Program.—

4) Responsibility of the states.—

(A) In general.—The States shall be responsible for determining that subrecipients of Federal funds under this title have—

(i) adequate project delivery systems for projects approved under this section;  
and

(ii) sufficient accounting controls to properly manage such Federal funds.

Title 23 U.S. Code of Federal Regulations, Part 635 – Construction and Maintenance – Contract Procedures states in part:

§ 635.102 Definitions.

As used in this subpart:

*Local public agency* means any city, county, township, municipality, or other political subdivision that may be empowered to cooperate with the State transportation department in highway matters.

*State department of transportation (State DOT)* means that department, commission, board, or official of any State charged by its laws with the responsibility for highway construction. The term “State” should be considered equivalent to State DOT if the context so implies. In addition, State Highway Agency (SHA), State Transportation Agency (STA), State Transportation Department, or other similar terms should be considered equivalent to State DOT if the context so implies.

§ 635.105 Supervising agency.

- (a) The State DOT has responsibility for the construction of all Federal-aid projects, and is not relieved of such responsibility by authorizing performance of the work by a local public agency or other Federal agency. The State DOT shall be responsible for insuring that such projects receive adequate supervision and inspection to insure that projects are completed in conformance with approved plans and specifications.

The U.S. Department of Transportation Stewardship and Oversight Agreement On Project Assumption and Program Oversight By and Between the Federal Highway Administration (Washington Division) and the Washington State Department of Transportation, states in part:

Section XI. State and Local Public Agency Oversight Requirements and Reporting Requirements

B. State DOT Oversight of Locally Administered Projects

WSDOT provides oversight through their Local Programs Division. This dedicated staff manages the program by providing guidance, training, and technical assistance to the Local Agencies.

The Local Agency Guidelines (LAG) manual describes the processes, documents, and approvals necessary to administer federal-aid projects by local transportation agencies. The manual also outlines WSDOT’s oversight and review activities. The Division reviews and approves twice a year the LAG Manual to ensure it complies with FHWA Order 5020.2 (Stewardship and Oversight of Federal-Aid Projects Administered by Local Public Agencies, August 14, 2014).

By agreeing to accept federal aid funds, the local agency understands its roles and responsibilities with respect to carrying out the federal aid program. WSDOT is permitted to delegate certain activities, under its supervision, to local agencies (cities, counties, private organizations, or other state agencies) under federal regulation 23 CFR 1.11 and 635.105; however, WSDOT accepts responsibility for delegated activities.

WSDOT has a certification process that allows local agencies to administer a federal aid project based on past performance, current staffing, overall capability, and knowledge of FHWA and state requirements. The certification acceptance process is outlined in Chapter 13 of the Local Agency Guidelines Manual (LAG).

WSDOT is also required to conduct verification activities to assure that local agency federal aid projects are implemented in conformance with federal aid requirements.

WSDOT conducts Project Management Reviews (PMR) to assess whether the certified agency administered the project in accordance with federal aid requirements. A PMR reviews all phases of a project from environmental, consultant services, design, to construction. WSDOT and the Division jointly develop the checklists for the PMRs. The Division includes items identified as part of our risk assessment process and items listed as stewardship indicators. The PMR review is conducted at a minimum every three years on the local agency's project with the most risk associated with it and the local agency's certification acceptance is reevaluated.

WSDOT has retained some project level approval actions and conducts various reviews such as, construction inspections, billing reviews, and work-zone traffic control reviews. In addition WSDOT conducts documentation and a final inspection on every local agency federal aid project.

WSDOT submits annually a Stewardship Report that summaries their verification activities, PMRs, other reviews, and stewardship indicators. The annual Stewardship Report addresses any findings or issues, as well corrective action plans if needed.

The Washington State Department of Transportation Local Agency Guidelines Manual (M 36-63.40 – June 2021), Chapter 53 – Project Closure, states in part:

### 53.3 Project Reviews

In order to ensure that local agencies are administering FHWA funded projects in reasonable compliance with FHWA requirements and regulations and the Local Agency Guidelines manual, WSDOT will perform procedural reviews on federal funded local agency ad-and-award projects. Projects will be selected from the available projects awarded to the local agency based upon the assigned risk level documented in the risk assessments performed at the end of each project by the Region LPE.

These reviews will be:

- Project Management Reviews (PMR) performed by HQ Local Programs
  - CA Agencies must have a PMR performed every three years. (Meaning the HQ Local Program will select a qualifying project from the list of awarded

federal projects. The project selection will occur near the beginning of third federal fiscal year cycle and with the actual review occurring near completion of construction.)

- PMRs will be performed in one of two ways, in person file reviews or electronic file reviews.
- Documentation Reviews are performed by the Region Local Programs Engineer with the frequencies of the reviews being based upon the risk assessment performed on each phase of the projects.

## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### State of Washington July 1, 2020 through June 30, 2021

#### **2021-009 The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Highway Planning and Construction Cluster.**

<b>CFDA Number and Title:</b>	20.205 Highway Planning and Construction 20.205 COVID-19 Highway Planning and Construction 20.219 Recreational Trails Program 20.224 Federal Lands Access Program
<b>Federal Grantor Name:</b>	U.S. Department of Transportation
<b>Federal Award/Contract Number:</b>	Too numerous to list. All approved subaward projects under the Federal Highway Administration Stewardship and Oversight Agreement.
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

#### ***Background***

The Washington State Department of Transportation's (Department) Local Programs Office administers federal funding under the Highway Planning and Construction Cluster to local agencies throughout the state for highway construction projects. The Department spent about \$510 million on highway projects during fiscal year 2021. Of that amount, it passed through about \$221 million to local agencies through subawards.

Pass-through entities are required to monitor the activities of subrecipients in order to ensure they are properly using federal funds. To determine the appropriate level of monitoring, federal regulations require the Department to evaluate each subrecipient's risk of noncompliance with federal statutes and regulations and the terms and conditions of the subaward.

During fiscal year 2021, the Department awarded about \$219 million in new subawards to 179 local agencies for 751 construction projects across the state. Department management delegated the responsibility to complete risk assessments for individual projects to the Local Programs Engineers assigned to the regional office that oversees the project. When the Department prepares

to monitor or review a subrecipient, it selects an open and active project and evaluates the subrecipient based on its performance under that project.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Department did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Highway Planning and Construction Cluster. The prior finding numbers were 2020-014, 2019-016, and 2018-012.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Highway Planning and Construction Cluster. We randomly selected and examined 28 of 344 projects awarded funding during the audit period to determine if the Department performed a risk assessment of each project to determine the appropriate level of monitoring required for the subrecipient. We found the Department did not perform a risk assessment for four of the projects (14 percent). Additionally, four of the risk assessments the Department did perform did not have documented approval from the regional Local Programs Engineer as required.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

Management did not ensure the Department met the federal requirement to perform risk assessments for subrecipients. It did not effectively monitor regional Local Programs Engineers to ensure they completed risk assessments for each subrecipient project awarded program funds.

### ***Effect of Condition***

Not performing risk assessments makes the Department less likely to detect subrecipients' noncompliance with federal regulations and the grant's terms and conditions. Without verifying the Local Programs Engineers completed risk assessments for each awarded project, the Department cannot ensure it is performing risk assessments consistently and using the proper criteria to determine the appropriate amount of monitoring required for each subrecipient project.

## ***Recommendations***

We recommend the Department:

- Ensure it properly performs and documents the required risk assessments, which would allow management to evaluate the results and demonstrate compliance with federal requirements
- Improve its monitoring of regional Local Programs Engineers to ensure they complete risk assessments for each awarded project receiving federal financial assistance

## ***Department's Response***

*We appreciate the State Auditor's Office (SAO) audit of the Federal Highway Program. WSDOT is committed to ensuring our programs comply with federal regulations and understand it is SAO's point of view that documentation must be maintained in order to verify WSDOT's compliance with the requirement to assess risk to inform our monitoring of local agencies.*

*Prior to the pandemic, headquarters Local Programs management visited region Local Program offices once every six months, dependent on the number of active projects, to meet on emergent topics that included risk assessments. When the Governor issued the Stay Home, Stay Healthy order, regional staff's focus was redirected to project shut down, safety, and reopening, which slowed completion of some risk assessments.*

*Local Programs meets with regional staff remotely and will work with them on how to improve monitoring of timely risk assessments and improve on the current completion rate of 86% noted above. While every attempt is made to complete a risk assessment on each phase of a project this can be a challenging exercise due to the volume of local agency projects. It is important to note that "effect of condition" should reflect that the risk assessment is one component of informing oversight activities. The regional staff have direct knowledge of the "subrecipients" strengths, aptitudes and past performance delivering federal aid projects. The relationships developed individually with each agency and their project personnel is also a meaningful barometer of risk. To further emphasize the importance of risk assessments, Local Programs is working with regional management to modify position descriptions of regional local programs staff to include the timely completion of risk assessments, and this will be incorporated into future performance evaluations.*

## ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.331 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:
  - (1) The subrecipient's prior experience with the same or similar subawards;
  - (2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of this part, and the extent to which the same or similar subaward has been audited as a major program;
  - (3) Whether the subrecipient has new personnel or new or substantially changed systems; and
  - (4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).



- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
- (1) Reviewing financial and performance reports required by the pass-through entity.
  - (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward.
  - (3) Issuing a management decision for applicable audit findings pertaining only to the Federal award provided to the subrecipient from the pass-through entity as required by § 200.521.
  - (4) The pass-through entity is responsible for resolving audit findings specifically related to the subaward and not responsible for resolving crosscutting findings. If a subrecipient has a current Single Audit report posted in the Federal Audit Clearinghouse and has not otherwise been excluded from receipt of Federal funding (e.g., has been debarred or suspended), the pass-through entity may rely on the subrecipient's cognizant audit agency or cognizant oversight agency to perform audit follow-up and make management decisions related to cross-cutting findings in accordance with section § 200.513(a)(3)(vii). Such reliance does not eliminate the responsibility of the pass-through entity to issue subawards that conform to agency and award-specific requirements, to manage risk through ongoing subaward monitoring, and to monitor the status of the findings that are specifically related to the subaward.
- (e) Depending upon the pass-through entity's assessment of risk posed by the subrecipient (as described in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:
- (1) Providing subrecipients with training and technical assistance on program-related matters; and
  - (2) Performing on-site reviews of the subrecipient's program operations;

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a

reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-010 The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to issue management decisions for audit findings to subrecipients of the Highway Planning and Construction Cluster.**

<b>CFDA Number and Title:</b>	20.205 Highway Planning and Construction 20.205 COVID-19 Highway Planning and Construction 20.219 Recreational Trails Program 20.224 Federal Lands Access Program
<b>Federal Grantor Name:</b>	U.S. Department of Transportation
<b>Federal Award/Contract Number:</b>	Too numerous to list. All approved subaward projects under the Federal Highway Administration Stewardship and Oversight Agreement.
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Washington State Department of Transportation (Department), Local Programs Office, administers federal funding under the Highway Planning and Construction Cluster to local agencies throughout the state for highway construction projects. The Department spent about \$510 million on highway projects during fiscal year 2021. Of that amount, it passed through about \$221 million to local agencies through subawards.

Federal regulations require the Department to monitor the activities of its subrecipients. This includes verifying that subrecipients that spend \$750,000 or more in federal awards during a fiscal year obtain a Single Audit. The audit must be completed and submitted to the Federal Audit Clearinghouse within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the subrecipient's audit period.

Additionally, for the awards it passes on to subrecipients, the Department must follow up and ensure its subrecipients take timely and appropriate corrective action on all deficiencies detected

through audits, onsite reviews and other means. Within six months of the Federal Audit Clearinghouse accepting the audit report, the Department must also issue a management decision for audit findings related to the federal award it provided to the subrecipient. These requirements help ensure the Department and its subrecipients use federal award funds for authorized purposes and within the provisions of contracts or grant agreements.

The Local Programs Office communicates annually with all active subrecipients, informing them of the requirement to receive a Single Audit or program-specific audit in accordance with 2 CFR § 200.501, and to ensure that they promptly transmit a copy of the audit report to the Department. The Local Programs Office also uses a tracking system to identify amounts passed through to subrecipients; to document audit activity for the subrecipients, including the date(s) on which audit reports were due and ultimately received by the Department; and to monitor if subrecipients received Single Audit findings.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure subrecipients received required Single Audits, findings related to federal program awards were followed up on, and management decisions were issued. The prior finding numbers were 2020-015 and 2019-017.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with requirements to issue management decisions for Single Audit findings to subrecipients that received Highway Planning and Construction Cluster funding.

The Department had seven subrecipients that received Single Audits, which resulted in findings that the Department was required to issue management decisions for during the audit period. We examined the Department's audit notes and records to determine if it had issued a management decision for these Single Audit findings. We found the Department did not issue management decisions for two of the subrecipients (28 percent) that received findings.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

## ***Cause of Condition***

Management did not ensure the Department met the federal requirement to issue management decisions for Single Audit findings to subrecipients. While the Department did review Single Audit reports filed for its subrecipients, the Local Programs Office did not correctly identify all findings related to its programs that required management decisions.

## ***Effect of Condition***

Not issuing a management decision when required means the Department did not determine the effect of noncompliance on the federal program and did not require subrecipients to correct the identified deficiencies. By failing to ensure subrecipients establish corrective actions and monitor those corrections for effectiveness, the Department cannot determine whether subrecipients have materially complied with all federal requirements that pertain to the subaward.

## ***Recommendations***

We recommend the Department:

- Review all subrecipient audit reports to determine if there are findings related to federal programs
- Follow up on and issue management decisions for all subrecipient audit findings related to the Highway Planning and Construction Cluster
- Ensure subrecipients develop and perform acceptable corrective actions to adequately address all audit recommendations

## ***Department's Response***

*We appreciate the State Auditor's Office (SAO) audit of the Federal Highway Program. The Department is committed to ensuring our programs comply with federal regulations related subrecipient monitoring.*

*Our Local Programs Division had a different understanding of the requirement to issue Management Decision Letters (Decision Letters). We typically issue the Decision Letters to subrecipients that receive single audit findings related to WSDOT federal grant awards. For the subrecipients in question, we assessed risk of noncompliance and elected to forgo a formal Decision Letters when the subrecipient's response in the audit report reflected corrective action was complete. We understand SAO's recommendation to issue Decision Letters for all subrecipient single audit findings related to federal grant awards by the Department.*

*Our Local Programs Division will review local agency single audit findings for FY20 that were received during FY 2022, and ensure that they issued all required Decision Letters.*

*We will continue to review all single audits issued for our subrecipient agencies and send Decision Letters based on SAO's recommendation.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.331 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
  - (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site

reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward.

- (3) Issuing a management decision for applicable audit findings pertaining only to the Federal award provided to the subrecipient from the pass-through entity as required by § 200.521.
- (4) The pass-through entity is responsible for resolving audit findings specifically related to the subaward and not responsible for resolving crosscutting findings. If a subrecipient has a current Single Audit report posted in the Federal Audit Clearinghouse and has not otherwise been excluded from receipt of Federal funding (e.g., has been debarred or suspended), the pass-through entity may rely on the subrecipient's cognizant audit agency or cognizant oversight agency to perform audit follow-up and make management decisions related to cross-cutting findings in accordance with section § 200.513(a)(3)(vii). Such reliance does not eliminate the responsibility of the pass-through entity to issue subawards that conform to agency and award-specific requirements, to manage risk through ongoing subaward monitoring, and to monitor the status of the findings that are specifically related to the subaward.

Section 200.339 Remedies for noncompliance, states:

If a non-Federal entity fails to comply with the U.S. Constitution, Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in § 200.208. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.



Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
  - (3) Issuing a management decision for applicable audit findings pertaining only to the Federal award provided to the subrecipient from the pass-through entity as required by § 200.521.

Section 200.501 Audit requirements, states in part:

- (a) Audit required. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.
- (b) Single audit. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with § 200.514 except when it elects to have a program-specific audit conducted in accordance with paragraph (c) of this section.

Section 200.521 Management decision, states in part:

- (a) General. The management decision must clearly state whether or not the audit finding is sustained, the reasons for the decision, and the expected auditee action to repay disallowed costs, make financial adjustments, or take other action. If the auditee has not completed corrective action, a timetable for follow-up should be given. Prior to issuing the management decision, the Federal agency or pass-through entity may request additional information or documentation from the auditee, including a request for auditor assurance related to the documentation, as a way of mitigating disallowed costs. The management decision should describe any appeal process available to the auditee. While not required, the Federal agency or pass-through entity may also issue a management decision on findings relating to the financial statements which are required to be reported in accordance with GAGAS.
- (c) Pass-through entity. As provided in § 200.332(d), the pass-through entity must be responsible for issuing a management decision for audit findings that relate to Federal awards it makes to subrecipients.
- (d) Time requirements. The Federal awarding agency or pass-through entity responsible for issuing a management decision must do so within six months of acceptance of the audit report by the FAC. The auditee must initiate and proceed

with corrective action as rapidly as possible and corrective action should begin no later than upon receipt of the audit report.

- (e) Reference numbers. Management decisions must include the reference numbers the auditor assigned to each audit finding in accordance with § 200.516(c).

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-011 The Washington State Department of Transportation did not have adequate internal controls over and did not comply with quality assurance program requirements to ensure materials conformed to approved plans and specifications, and that only qualified personnel performed testing for projects funded by the Highway Planning and Construction Cluster.**

<b>CFDA Number and Title:</b>	20.205 Highway Planning and Construction 20.205 COVID-19 Highway Planning and Construction 20.219 Recreational Trails Program 20.224 Federal Lands Access Program
<b>Federal Grantor Name:</b>	U.S. Department of Transportation
<b>Federal Award/Contract Number:</b>	Too numerous to list. All approved subaward projects under the Federal Highway Administration Stewardship and Oversight Agreement.
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Special Tests and Provisions: Quality Assurance Program
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Washington State Department of Transportation administers federal funding under the Highway Planning and Construction Cluster to local agencies throughout the state for their highway construction projects. The Department spent about \$510 million on highway projects during fiscal year 2021.

Federal regulations require that the Department have a quality assurance (QA) program, approved by the Federal Highway Administration (FHWA), for construction projects on the National Highway System to ensure that materials and workmanship conform to approved plans and specifications. Verification sampling must be performed by qualified testing personnel employed by the Department or by its designated agent, excluding the contractor.

The Department's QA program requirements are outlined in the Construction Manual, which is approved by the FHWA. This manual documents how materials are tested for acceptance before being incorporated into construction projects. Materials can be accepted in various ways, such as sample testing, a visual inspection documented by the Field Note Record or Inspector's Daily Report, or a certification of compliance from the manufacturer. If a materials test is required, the Department must ensure that only qualified people perform the testing, including independent testers, consultants or certified Department employees.

To ensure that materials incorporated into a project meet approved plans and specifications, the Department prepares a list of prescribed materials to be used on the project based on the approved plans and specifications. The Department uploads this list to a program called the Record of Materials (ROM). The ROM sets forth the materials and quantities that are expected to be used. The ROM also documents the proper acceptance criteria, including any test(s) personnel are required to perform on a material. Once created, Project Engineers responsible for managing the construction project update the ROM to indicate the type and quantity of materials incorporated into the project so management can ensure the materials test(s) that are required for acceptance have occurred.

To ensure that only qualified people perform the testing, testers must pass a certification exam, which consists of a written and performance exam. After passing both, the testers are entered into the Qualified Tester Database and are certified for five years, after which they must recertify by passing both exams again. There are two different types of tester qualifications: module and method. Module testers are proficient in multiple method tests that can encompass all method tests for a particular material, whereas method testers may only be proficient in particular tests for any given material.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Department did not have adequate internal controls over and did not comply with QA program requirements to ensure materials conformed to approved plans and specifications, and that only qualified personnel performed materials testing for projects funded by the Highway Planning and Construction Cluster. The prior finding numbers were 2020-017 and 2019-019.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with QA program requirements to ensure materials conformed to approved plans and specifications, and that only qualified personnel performed testing for projects funded by the Highway Planning and Construction Cluster.

*Project Engineers did not maintain the ROM for all materials used in projects*

We used a statistically valid sampling method to randomly select 59 out of 130 federally funded projects that had construction expenditures during the audit period. The Department was unable to provide a comprehensive list of materials used on all projects subject to material acceptance during the audit period, so we randomly selected materials that had been placed and paid for from each project for testing purposes. This produced a sample of 59 materials.

For each material, we reviewed the ROM to verify Project Engineers had updated it in accordance with the Construction Manual. Out of the selected materials, we found that Project Engineers did not maintain 14 materials (24 percent) in the ROM in accordance with the Construction Manual.

*Materials acceptance testing did not conform to standard specifications and the Construction Manual*

For the 59 randomly selected materials, we requested the supporting documentation for acceptance and/or testing of the material. We found two materials (3 percent) where testing or acceptance did not conform to standard specifications and the Construction Manual. Specifically:

- One material was not tested in accordance with the sampling frequency, and it did not have any material acceptance tests.
- One material acceptance was not properly documented in the Field Note Record or Inspector's Daily Report.

*Testing personnel were not properly certified before testing materials*

We requested and reviewed certification documents for the personnel who performed the testing associated with the 59 randomly selected materials in our audit sample. We found that personnel who were not properly certified tested eight materials (14 percent). Additionally, the Department did not have an effective process for ensuring that testers who did not meet certification requirements were not entered into the database.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

## ***Cause of Condition***

*Project Engineers did not maintain the ROM for all materials used in projects*

Management did not ensure Project Engineers were adequately trained in maintaining the ROM.

*Materials acceptance testing did not conform to standard specifications and the Construction Manual*

Management did not adequately monitor to ensure required materials testing and acceptance occurred in accordance with the Construction Manual.

*Testing personnel were not properly certified before testing materials*

Project Engineers did not ensure tester qualifications were current and management did not ensure tester qualifications were properly entered into the Tester Database.

### ***Effect of Condition***

By not adequately monitoring project materials to ensure they conform to approved plans and specifications, the Department does not have reasonable assurance that materials incorporated into projects conform to standard specifications and the Construction Manual.

By not properly verifying and documenting the testers' qualifications, the Department risks improper materials testing. This could result in the Department using materials that may not conform to approved plans and specifications.

### ***Recommendations***

We recommend the Department:

- Improve internal controls to ensure materials incorporated into federal aid projects conform to standard specifications and the requirements outlined in the Construction Manual
- Strengthen its monitoring to ensure Project Engineers accurately and completely maintain the ROM for each project
- Strengthen internal controls to ensure testers have completed all required exams—and that they have proper documentation of passing these exams—before entering them into the Qualified Tester Database
- Continue to review all testers in the Qualified Tester Database to ensure they meet the minimum requirements

### ***Department's Response***

*The Washington State Department of Transportation (WSDOT) appreciates the State Auditor's Office (SAO) audit of the Federal Highway Program and the federally required Quality Assurance (QA) program. The Department is committed to ensuring our programs continue to comply with federal regulations and recognizes that there are always opportunities for improvement to its QA program.*

*The Department has worked closely with the Federal Highway Administration (FHWA) on our QA program and received feedback from them on the strength of our program. The Department will continue to put improvements in place for the QA program based on the SAO audit*

*recommendations for documenting materials testing and tester certifications. We will also deliver training to Project Engineering Offices to emphasize QA program requirements.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.



- (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Title 23 *U.S. Code of Federal Regulations Part 637, Construction Inspection and Approval* establishes the following applicable requirements:

Section 637.201 Purpose

To prescribe policies, procedures, and guidelines to assure the quality of materials and construction in all Federal-aid highway projects on the National Highway System.

Section 637.205 Policy

**(a) Quality assurance program.** Each STD shall develop a quality assurance program which will assure that the materials and workmanship incorporated into each Federal-aid highway construction project on the NHS are in conformity with the requirements of the approved plans and specifications, including approved changes. The program must meet the criteria in (Section 637.207) and be approved by the FHWA.

**(b) STD capabilities.** The STD shall maintain an adequate, qualified staff to administer the quality assurance program. The State shall also maintain a central laboratory. The State's central laboratory shall meet requirements in (Section 637.209 (a)(2)).

**(c) Verification sampling and testing.** The verification sampling and testing are to be performed by qualified testing personnel employed by the STD or its designated agent, excluding the contractor and vendor.

**(d) Random samples.** All samples used for quality control and verification sampling and testing shall be random samples.

Section 637.207 Quality assurance program

(a) Each STD's quality assurance program shall provide for an acceptance program and an independent assurance (IA) program consisting of the following:

(1) Acceptance program.

(i) Each STD's acceptance program shall consist of the following:

(A) Frequency guide schedules for verification sampling and testing which will give general guidance to personnel responsible for the program and allow adaptation to specific project conditions and needs.

(B) Identification of the specific location in the construction or production operation at which verification sampling and testing is to be accomplished.

(C) Identification of the specific attributes to be inspected which reflect the quality of the finished product.

(ii) Quality control sampling and testing results may be used as part of the acceptance decision provided that:

(A) The sampling and testing has been performed by qualified laboratories and qualified sampling and testing personnel.

(B) The quality of the material has been validated by the verification sampling and testing. The verification testing shall be performed on samples that are taken independently of the quality control samples.

The *Department of Transportation Construction Manual* (M41-01), Chapter 9: *Materials*, states in part:

#### *9-1 General*

The quality of materials used on the project will be evaluated and accepted in various ways, whether by testing of samples, visual inspection, or certification of compliance. This chapter details the manner in which these materials can be accepted Requirements for materials are described in Standard Specifications for Road, Bridge, and Municipal Construction M 41-10 Section 1-06 and Division 9.

It is the Project Engineer's responsibility to accept materials in accordance with this chapter. For materials tests that do not meet specification requirements, the Project Engineer shall contact the State Construction Office which will coordinate with the State Materials Laboratory to determine the appropriate action.

#### *9-1.2C Record of Materials*

The Project Office utilizes the ROM program to track all permanently incorporated materials that are placed in on the Contract. Temporary materials are also tracked in the ROM when the contract documents contain temporary material requirements. The Project Engineer is responsible for the accuracy of the ROM, other documentation methods used, and Certification of Materials. Acceptance requirements shown in the ROM can be

modified by referencing the properly submitted QPL page or the approved Request for Approval of Materials. Reviewing the contract plans and provisions may identify additional materials documentation requirements as well as construction items that shall be added to the ROM and tracked for completion throughout the course of the project work.

In order to ensure clarity upon completion of the work and to allow for easy certification of the project by both the Project Engineer and the Region, the ROM needs to be maintained throughout the course of the project. “Maintained” and “maintain” means the ROM is updated to reflect materials placed within 30 calendar days of the material payment. This includes material type, make/model, approval, acceptance, field verification documentation, Certificate of Materials Origin and other materials documentation. For materials used in the Contract, the Project Office is required to maintain the Status Work Completed (WC)/Documentation Complete (DC) / Not Used (NU) fields in the ROM.

The Project Office is required to maintain quantities paid, quantities placed, quantities field verified for materials that have sampling frequencies, WSDOT Fabrications Inspection items, where the Acceptance Criteria requires quantities such as Manufacturer Certificate of Compliance, or when quantities are noted in the initial materials and acceptance criteria.

#### *9-5.3 WAQTC Testing Technician Qualification Program*

The Region Independent Assurance Inspectors are responsible for maintaining the Tester Qualification database information for their Region WAQTC Testers as well as maintaining the WAQTC internal certifications and records (physical and digital).

#### *9-5.4 Method Qualified Tester Program*

The Region Independent Assurance Inspectors are responsible for maintaining the Tester Qualification database information for their Region Method Testers as well as maintaining the Method internal certifications and records (physical and digital).

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-012 The Department of Social and Health Services did not have adequate internal controls to ensure payments were allowable and properly supported, and did not comply with federal requirements to conduct fiscal monitoring of subrecipients for the Coronavirus Relief Fund.**

<b>CFDA Number and Title:</b>	21.019 COVID-19 Coronavirus Relief Fund
<b>Federal Grantor Name:</b>	U.S. Department of the Treasury
<b>Federal Award/Contract Number:</b>	None
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs / Cost Principles Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The CARES Act authorized the spending of \$2.2 trillion in federal funds to respond to the COVID-19 pandemic.

The CARES Act established the Coronavirus Relief Fund (CRF), which authorized \$150 billion in federal financial assistance for state, local and tribal governments. Through the CARES Act, Washington was awarded about \$2.95 billion of CRF money to help fund the state's response to the COVID-19 pandemic. Of this amount, the Office of Financial Management allocated about \$2.2 billion to state agencies. In fiscal year 2021, state agencies spent approximately \$1.7 billion in CRF funds.

The CARES Act requires recipients to only use CRF payments to cover:

- Necessary expenditures incurred due to COVID-19;
- Costs that were not accounted for in governments' most recently approved budget as of March 27, 2020; and
- Costs that were incurred during the period that began on March 1, 2020, and ended on December 31, 2021.

The Department of Social and Health Services (Department) is Washington's lead agency for providing state-funded social services. In fiscal year 2021, the Department spent approximately \$224.6 million in CRF funds. The Department's Economic Services Administration spent more than \$126 million (56 percent) of this CRF money to implement and administer the Washington Immigrant Relief Fund, which provided financial assistance to people excluded from federal stimulus payments and unemployment benefits due to their immigration status.

During the audit period, the Department allocated CRF money to four subrecipients for the Washington Immigrant Relief Fund. Two of these subrecipients received about \$124.3 million (98 percent) to provide a one-time \$1,000 payment to about 120,853 clients.

Federal regulations require the Department to monitor the activities of its subrecipients to ensure they use subawards for authorized purposes and that activities achieve performance goals and comply with terms and conditions of the subaward.

Federal regulations also require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding program requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Department did not have adequate internal controls to ensure payments were allowable and properly supported, and did not comply with federal requirements to conduct fiscal monitoring of subrecipients for the CRF.

When the Department approved subrecipient payments, it required high-level supporting documentation to ensure the expenditures met the CRF's allowability requirements. The Department also performed fiscal monitoring to ensure subrecipients only used federal funds for allowable purposes and that expenditures met cost principles. The Department had a fiscal monitoring plan for its two subrecipients that administered the client payments, which included reviewing client eligibility. We found that for one subrecipient (50 percent), the Department did not have documentation to support that it had performed fiscal monitoring to ensure the subrecipient only made payments to eligible clients.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

Management did not ensure adequate internal controls were in place to monitor the subrecipient's eligibility determinations for clients receiving CRF money. While the Department requested the

subrecipient provide the required information so it could review client eligibility, the subrecipient did not respond and management did not ensure that it had received and reviewed this list.

### ***Effect of Condition***

By not monitoring one of the subrecipients, the Department did not have assurance that approximately 61,750 clients were eligible to receive the one-time payments.

Without establishing adequate internal controls, the Department cannot reasonably ensure subrecipients are only distributing federal funds to eligible clients. Without monitoring each subrecipient's use of federal funds, the Department does not have reasonable assurance that its subrecipients have complied with the terms and conditions of the subaward.

### ***Recommendations***

We recommend the Department:

- Implement additional monitoring procedures to ensure adequate review of subrecipients' use of federal subawards
- Improve internal controls to ensure subrecipients provide adequate supporting documentation when requesting reimbursement

### ***Department's Response***

*The Department partially concurs with the auditor's finding.*

*The Department does not concur that we required "high-level" supporting documentation to ensure the expenditures met the CRF's allowability requirements. As part of the eligibility process, the subrecipient performed the eligibility determination which included verification of immigration status and self-attestations that the client had not received a federal stimulus payment or unemployment benefits. The subrecipient then provided the Department with a list of eligible clients and supporting documentation. To protect client confidentiality, the Department assigned each client a unique client identifier and redacted their personally identifying information.*

*When the Department approved subrecipient payments, we required supporting documentation that included the unique client identifier, some demographic information, and the check number. The unique client identifier cross-matched to the list of eligible clients allowing the Department to ensure the expenditures met the CRF's allowability requirements.*

*The Department concurs that for one of the subrecipients, we did not have documentation to support we had performed fiscal monitoring. The Department requested the subrecipient provide the required information to review client eligibility, but found the subrecipient to be noncompliant with providing the data.*

*To ensure adequate review of subrecipients' use of federal subawards, the Department will update monitoring procedures to:*

- *Ensure contracts and monitoring plans clearly identify the required supporting documentation;*
- *Establish procedures for corrective action in situations of noncompliance with contract requirements and monitoring plan expectations; and*
- *Include language in the contract covering expectations for the subrecipient to provide adequate information prior to reimbursement.*

### ***Auditor's Remarks***

As acknowledged in its formal response, the Department did not perform fiscal monitoring for one subrecipient and did not obtain required documentation to support one-time payments for 61,750 clients.

We reaffirm our finding and review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.



Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
  - (1) Reviewing financial and performance reports required by the pass-through entity.
  - (2) Following-up and ensuring that the subrecipient takes timely and appropriate action of all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward.
- (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-013 The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to conduct fiscal monitoring of subrecipients and ensure payments were allowable and properly supported for the Coronavirus Relief Fund.**

<b>CFDA Number and Title:</b>	21.019 COVID-19 Coronavirus Relief Fund
<b>Federal Grantor Name:</b>	U.S. Department of the Treasury
<b>Federal Award/Contract Number:</b>	None
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs / Cost Principles Period of Performance Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	\$4,124,518

### *Background*

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The CARES Act authorized the spending of \$2.2 trillion in federal funds to respond to the COVID-19 pandemic.

The CARES Act established the Coronavirus Relief Fund (CRF), which authorized \$150 billion in federal financial assistance for state, local and tribal governments. Through the CARES Act, Washington was awarded about \$2.95 billion of CRF money to help fund the state's response to the COVID-19 pandemic. Of this amount, the Office of Financial Management allocated about \$2.2 billion to state agencies. In fiscal year 2021, state agencies spent approximately \$1.7 billion in CRF funds.

The CARES Act requires recipients to only use CRF payments to cover:

- Necessary expenditures incurred due to the COVID-19 pandemic;
- Costs that were not accounted for in governments' most recently approved budget as of March 27, 2020; and

- Costs that were incurred during the period that began on March 1, 2020, and ended on December 31, 2021.

The Department of Commerce (Department) administers the Small Business Assistance, Rental Assistance and Local Government Assistance programs. These programs subawarded federal funds to subrecipients to provide COVID-19 pandemic assistance in Washington. In fiscal year 2021, the Department spent approximately \$983.1 million in CRF money. The Small Business Assistance program spent more than \$366 million, the Rental Assistance program spent more than \$101 million, and the Local Government Assistance program spent more than \$404 million.

During the audit period, the Small Business Assistance, Rental Assistance and Local Government Assistance programs allocated CRF money to 376 total subrecipients. The Small Business Assistance program had 40 subrecipients, the Rental Assistance Program had 48 subrecipients, and the Local Government Assistance program had 288 subrecipients.

Federal regulations require the Department to monitor the activities of its subrecipients to ensure they use subawards for authorized purposes and that activities achieve performance goals and comply with the terms and conditions of the subaward.

Federal regulations also require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding program requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with federal requirements to conduct fiscal monitoring of subrecipients and ensure payments were allowable and properly supported for the CRF.

When the Department approved subrecipient payments, it required high-level supporting documentation and a certification attesting that the expenditures met the CRF's allowability requirements and occurred within the award's period of performance.

To determine if the expenditures were for allowable activities, we examined subrecipient payments for the three assistance programs. For the Rental Assistance program, we used a statistical sampling method to randomly select and examine 55 out of a total population of 473 payments, in addition to two individually significant payments. We found six payments (11 percent) did not have adequate documentation to support the request. Additionally, the Department did not provide any documentation for two of the payments.

For the Local Government Assistance program, we used a statistical sampling method to randomly select and examine 57 out of a total population of 764 payments. We found one payment (2 percent) did not have adequate documentation to support the total payment amount.

### *Fiscal Monitoring of Subrecipients*

To determine if the Department performed adequate fiscal monitoring for its subrecipients, we examined monitoring activity for the three assistance programs. For the Small Business Assistance program, we randomly selected 12 out of a total population of 40 subrecipients. We determined the Department did not perform fiscal monitoring for any of the 12 subrecipients (100 percent) during the audit period.

For the Rental Assistance program, we randomly selected 11 out of a total population of 48 subrecipients. We determined the Department did not perform fiscal monitoring for any of the 11 subrecipients (100 percent) during the audit period.

For the Local Government program, we randomly selected 25 out of 288 subrecipients. We determined the Department did not perform fiscal monitoring for 11 subrecipients (44 percent) during the audit period.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

Management did not ensure that proper internal controls were in place to oversee the CRF-funded programs. Additionally, Department staff approved payments to subrecipients even when the underlying support did not match the amount requested. Management also said that they did not have the resources to perform adequate fiscal monitoring.

### *Effect of Condition and Questioned Costs*

We determined the Department did receive adequate supporting documentation before paying subrecipients, and it did not establish adequate fiscal monitoring to ensure that expenditures were for allowable activities. As a result, we identified the following questioned costs:

Program	Known Questioned Costs	Known and Likely Questioned Costs
Rental Assistance	\$3,524,518	\$3,844,929
Local Government Assistance	\$600,000	\$2,563,636

In total, we identified \$4,124,518 in known federal questioned costs and \$6,408,565 in likely federal questioned costs.

Our sampling methodology meets statistical sampling criteria under generally accepted auditing standards in AU-C 530.05. It is important to note that the sampling technique we used is intended to support our audit conclusions by determining if expenditures complied with program requirements in all material respects. Accordingly, we used an acceptance sampling formula designed to provide a high level of assurance, with a 95 percent confidence of whether exceptions exceeded our materiality threshold. Our audit report and finding reflects this conclusion. However, the likely improper payment projections are a point estimate and only represent our “best estimate of total questioned costs” as required by 2 CFR 200.516(3). To ensure a representative sample, we stratified both populations by dollar amount.

Without establishing adequate internal controls, the Department cannot reasonably ensure it is using federal funds for allowable purposes and spending occurs within the allowed period of performance. Without monitoring each subrecipient’s use of federal funds, the Department does not have reasonable assurance that the subrecipient has complied with the terms and conditions of the subaward.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

## ***Recommendations***

We recommend the Department:

- Implement additional monitoring procedures to ensure adequate review of each subrecipient’s use of the federal subaward
- Improve internal controls to ensure subrecipients provide adequate supporting documentation when requesting reimbursement
- Consult with the grantor to determine whether the questioned costs identified in the audit should be repaid

## ***Department’s Response***

### ***Local Government Program***

*For the Coronavirus Relief Fund program, the Local Government Program maintained a process in place to reimburse subrecipients after costs were incurred and supporting documentation was reviewed and approved. During the audit, it was determined that an error was made in processing one reimbursement request in the amount of \$600,000. Our internal policies were not followed and a payment was made on a commitment of funds to the local Chamber of Commerce. Payments should not have been made on a commitment of funds, but only for actual incurred costs. We have followed up with Franklin County on this error and have confirmed that the funds were fully expended during the period of performance toward eligible uses of the funds. We reviewed an*

*expenditure detail report which showed all costs charged to this payment and determined all costs charged were for allowable expenses.*

*Considering the circumstances under which these funds were administered, Commerce feels strongly that its internal controls were sufficient and effective given the rapid timeline, the volume of subrecipients and funding, and staffing capacity, all of which needed to be managed during the peak of the pandemic. Over the course of a seven month sprint (June 2020 through December 2020), approximately \$406 million was expended by 292 counties, cities, and towns. This was all accomplished through a small team of five staff, mostly new to state employment, who successfully learned, managed and supported these subrecipients and funds under the most challenging of circumstances. Considering the amount of funds disbursed, the small team effectively and efficiently managed the program and expenditures. This program had a large impact on supporting citizens and we are proud of the support we provided to subrecipients who disbursed funds to citizens.*

### *Rental Assistance Program*

*The Coronavirus pandemic resulted in an unprecedented crises of imminent evictions for an estimated 200,000 households who would face homelessness during the pandemic. Prompt implementation was critical to reducing evictions and homelessness was shown to increase the spread of COVID-19 leading to death. Every week of delay would increase the number of people at risk of dying. At the time the Department received the CARES Act funds for rental assistance, we were in current contracts with grantees for the same activity for whom we had completed risk assessments and monitoring plans 12 months prior. We relied on those risk assessments to comply with CARES Act requirement so staff could focus on ensuring that racial equity measures were met and that people disproportionately impacted during the pandemic had priority access to assistance. This included reviewing voucher detail reports for grantees with subcontractors and reviewing demographic data each month. In addition, when we first received the CARES Act funds (August 2020) the program was ending in December 2020 when the CARES Act funds were set to expire. It was not until late December 2020 that Congress extended the end date and we were informed we could continue to fund the program into 2021. Our priorities for those initial five months were to maximize administrative efficiencies by relying on current risk assessments so staff could support counties in expanding programs to assist as many households as possible before evictions were issued.*

*We thank the Washington State Auditor's Office for their cooperation with the Department and the CRF programs during this audit.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:



- (1) Reviewing financial and performance reports required by the pass-through entity.
  - (2) Following-up and ensuring that the subrecipient takes timely and appropriate action of all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward.
- (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.

#### Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

#### Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in

accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-014 The Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus Relief Fund.**

<b>CFDA Number and Title:</b>	21.019 COVID-19 Coronavirus Relief Fund
<b>Federal Grantor Name:</b>	U.S. Department of the Treasury
<b>Federal Award/Contract Number:</b>	None
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Reporting
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The CARES Act authorized the spending of \$2.2 trillion in federal funds to respond to the COVID-19 pandemic.

The CARES Act established the Coronavirus Relief Fund (CRF), which authorized \$150 billion in federal financial assistance for state, local and tribal governments. Through the CARES Act, Washington was awarded about \$2.95 billion of CRF money to help fund the state's response to the COVID-19 pandemic. The Office of Financial Management (Office) is the prime recipient and allocated \$2.2 billion to state agencies. In fiscal year 2021, state agencies spent about \$1.7 billion in CRF funds.

The Office was required to submit quarterly Financial Progress Reports (FPR) that contained COVID-19-related costs incurred during the covered period of March 1, 2020, to December 31, 2021. The FPRs were due no later than 10 days after each calendar quarter, except for the first quarter deadline of September 21, 2020, and the second quarter deadline of October 12, 2020. The FPR submissions should be supported by the data in the state's accounting system.

The federal grantor specified there were four key line items on FPRs that contained critical information.

- 1) The total amount of CRF payments received from the U.S. Department of the Treasury.
- 2) The amount of funds received that were expended or obligated for each project or activity.

- 3) A detailed list of all projects or activities for which funds were expended or obligated.
- 4) Detailed information on any loans issued, contracts and grants awarded, transfers made to other government entities, and direct payments made by the prime recipient that are greater than \$50,000. For amounts less than \$50,000, the prime recipient must report in the aggregate for these expenditure categories. For direct payments to people, the prime recipient must report in the aggregate regardless of the amount.

The Office was responsible for compiling this information from state agencies that spent CRF funds during the reporting period.

In state fiscal year 2021, state agencies spent over \$1.7 billion of CRF funds, with the Department of Social and Health Services (DSHS) and the Department of Commerce (Commerce) accounting for over \$1.2 billion (70 percent) of these expenditures.

Federal regulations require the Office to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding reporting requirements, retaining source data, and monitoring the effectiveness of established controls.

### *Description of Condition*

The Office did not have adequate internal controls over and did not comply with reporting requirements for the CRF.

During the audit period, the Office submitted four FPRs. It also submitted a fifth FPR, which reported on activity during the audit period, shortly after the end of the audit period. At the end of each quarter, Office staff sent an Excel template that mirrored the key line items to state agencies with CRF expenditures in the reporting period. The agencies completed and sent the template back to the Office along with detailed expenditure reports from their accounting systems to support the information they provided in the template. Office staff reviewed this information and consolidated it into one state-level template to complete the FPR submission.

We examined all five FPRs the Office submitted. Our examination focused on DSHS and Commerce's expenditures because they accounted for 70 percent of CRF expenditures. To examine the accuracy of the FPRs, we reviewed the agency and state-level templates and accounting records. The Office was not able to provide any of the five state-level templates and expenditure reports, but was able to provide some of the templates and expenditure reports that DSHS and Commerce submitted. We found that the templates and accounting records did not support the information the Office reported on the FPRs.

We also found the Office's process for preparing the report was inadequate for allowing staff to compile all the necessary information and submit the FPRs by 10 days after each quarter had ended.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

Office staff responsible for gathering and preparing the FPRs left the Office in late fall of 2021, and management did not ensure staff retained the supporting documentation. Because the Office could not provide the templates or expenditure reports, we could not fully identify the source of the errors.

### *Effect of Condition*

Because the Office did not establish adequate internal controls to ensure staff retained the proper supporting documentation after submitting the reports, we cannot conclude whether the FPRs were accurate and complete.

Since the Office did not have these records, we contacted DSHS and Commerce directly to obtain copies in order to perform compliance testing. DSHS and Commerce were able to provide us with some of the templates.

### *Key Line Items 2 & 3*

We relied on the agency templates to determine if these key line items were accurate and complete. Below is a summary of the templates we received.

	Templates Received	
	DSHS	Commerce
Cycle 1	N/A (no expenditures)	No
Cycle 2	No	No
Cycle 3	Yes	Yes
Cycle 4	Yes	No
Cycle 5	Yes	No

Since we did not receive all agency templates, we could not determine whether four of the five (80 percent) FPRs accurately reported key line items 2 and 3.

### *Key Line Item 4*

Based on available accounting records, we determined the following discrepancies in transfers to other government entities recorded under key line item 4:

	<b>DSHS Reported Amount</b>	<b>DSHS Accounting Record Amount</b>	<b>DSHS Discrepancy</b>	<b>Details</b>
<b>Cycle 4</b>	\$33,989,544	\$35,070,297	\$(1,080,753)	Underreported
<b>Cycle 5</b>	\$(448,491)	\$(201,703,775)	\$201,255,284	Overreported

	<b>Commerce Reported Amount</b>	<b>Commerce Accounting Record Amount</b>	<b>Commerce Discrepancy</b>	<b>Details</b>
<b>Cycle 2</b>	\$48,597,567	\$0	\$48,597,567	No expenditure report provided
<b>Cycle 4</b>	\$86,342,417	\$87,540,211	\$(1,197,794)	Underreported
<b>Cycle 5</b>	\$9,915,883	\$11,790,642	\$(1,874,759)	Underreported

Furthermore, for all five FPRs, we could not determine if amounts less than \$50,000 were accurate since they were an aggregate total of all state agencies and we did not receive the state-level templates that the Office used to compile this information.

Lastly, we determined the Office submitted two FPRs after the grantor’s due date:

	<b>Number of Days Past Due</b>
<b>Cycle 3</b>	9
<b>Cycle 5</b>	3

### ***Recommendations***

We recommend the Office:

- Improve its internal controls to ensure accounting records properly support the FPRs
- Ensure staff retain adequate documentation after FPRs have been submitted
- File future FPRs in compliance with timelines the grantor has established
- Consult with the federal grantor to determine if a revision and resubmission of the FPRs is necessary

### ***Office’s Response***

*The Office concurs with the finding.*

*It should be noted that when the Coronavirus Relief Fund (CRF) was provided to the state with limited guidance, the Office exercised due diligence and prudence in administering and allocating*

*the federal funds needed to respond to the pandemic. Additionally, for the time period in question, the employee responsible for gathering and compiling the reporting data left the Office. Numerous unsuccessful attempts were made to locate the documentation from the employee's electronic work files to support the data uploaded into the federal system.*

*The Office is in the process of strengthening internal controls to ensure compliance with the CRF reporting requirements. The Office's Statewide Accounting Division took over the primary responsibility for CRF reporting. A full time staff was hired who now oversees the reconciliation, compilation and reporting of CRF. The Office is also closely monitoring all state agencies that received CRF to ensure the amounts reported are accurate and properly supported.*

### ***Auditor's Remarks***

We thank the Office for its cooperation and assistance throughout the audit. We will review the status of the Office's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Tread way Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:



- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
- (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Office of Management and Budget, 2 CFR Part 200, Appendix XI, *2021 Compliance Supplement*, for Assistance Listing 21.019 Coronavirus Relief Fund, states in part:

## **L. Reporting**

### **3. Special Reporting**

- a. Each prime recipient of the Fund shall provide a quarterly Financial Progress Report that contains COVID-19 related costs incurred during the covered period (the period beginning on March 1, 2020; and ending on December 31, 2021) to Treasury OIG. Each prime recipient shall report this quarterly information mentioned above into the GrantSolutions portal. The prime recipient's quarterly Financial Progress Report submissions should be supported by the data in the prime recipient's accounting system.

*Key Line Items* – The following line items from the reporting contain critical information:

- (1) The total amount of payments from the Fund received from Treasury.
- (2) The amount of funds received that were expended or obligated for each project or activity.
- (3) A detailed list of all projects or activities for which funds were expended or obligated, including:
  - a. The name of the project or activity
  - b. A description of the project or activity

- (4) Detailed information on any loans issued; contracts and grants awarded; transfers made to other government entities; and direct payments made by the prime recipient that are greater than \$50,000. For amounts less than \$50,000, the prime recipient must report in the aggregate for these expenditure categories. For direct payments to individuals, aggregate reporting is required to be reported regardless of amount.
- b. Beginning September 21, 2020, prime recipients were required to submit via the GrantSolutions portal the first detailed quarterly Financial Progress Report, which cover the period March 1 through June 30, 2020 (with exception to the September 21 first quarter deadline and the October 13 second quarter reporting deadlines for those prime recipients using GrantSolutions' upload feature, which was available December 1, 2020). Thereafter, quarterly reporting will be due no later than ten days after each calendar quarter. If the 10<sup>th</sup> calendar day falls on a weekend or a federal holiday, the due date will be the next working day. Reporting shall end with either the calendar quarter after the COVID-19 related costs and expenditures have been liquidated and paid or the calendar quarter ending September 30, 2022, whichever comes first. The prime recipient's quarterly Financial Progress Report submission should be supported by the data in the prime recipient's accounting system.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, and paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a

reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-015**      **The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to ensure subawards contained all required information and subrecipients received risk assessments for the Coronavirus Relief Fund.**

<b>CFDA Number and Title:</b>	21.019 COVID-19 Coronavirus Relief Fund
<b>Federal Grantor Name:</b>	U.S. Department of the Treasury
<b>Federal Award/Contract Number:</b>	None
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

### *Background*

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The CARES Act authorized the spending of \$2.2 trillion in federal funds to respond to the COVID-19 pandemic.

The CARES Act established the Coronavirus Relief Fund (CRF), which authorized \$150 billion in federal financial assistance for state, local and tribal governments. Through the CARES Act, Washington was awarded about \$2.95 billion of CRF money to help fund the state's response to the COVID-19 pandemic. Of this amount, the Office of Financial Management allocated about \$2.1 billion to state agencies. In fiscal year 2021, state agencies spent approximately \$1.7 billion in CRF funds.

The Department of Social and Health Services (Department) is Washington's lead agency for providing state-funded social services. In fiscal year 2021, the Department spent approximately \$225 million in CRF funds. The Department's Economic Services Administration spent more than \$126 million (56 percent) of this CRF money to create and administer the Washington COVID-19 Immigrant Relief Fund, which provided financial assistance to people excluded from federal stimulus payments and unemployment benefits due to their immigration status.

Federal law (2 CFR 200.332) requires pass-through entities to include certain information in all of their subawards. This includes information about the federal award the pass-through entity

received, details about the subaward being awarded, and clearly identifying the recipient as a subrecipient. Pass-through entities must also monitor the activities of subrecipients to ensure they are properly using federal funds. To determine the appropriate level of monitoring, federal regulations require the Department to evaluate each subrecipient's risk of noncompliance with federal statutes and regulations and the terms and conditions of the subaward.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding program requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with federal requirements to ensure subawards contained all required information and subrecipients received risk assessments for the CRF.

During the audit period, the Department executed six CRF contracts related to the Washington COVID-19 Immigrant Relief Fund. We found all six contracts (100 percent) were missing the following required information:

- Subrecipient's unique entity identifier
- Federal Award Identification Number (FAIN)
- Subaward budget period start and end date
- Assistance Listing Number and title; the pass-through entity must identify the dollar amount made available under each federal award and the Assistance Listing Number at time of disbursement
- Indirect cost rate for the federal award

Additionally, five of the six subawards (83 percent) did not identify the recipient as a subrecipient as required by federal regulations.

We also found the Department did not perform a risk assessment for any of the six subrecipients (100 percent).

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

The Department has policies in place to ensure it includes all required subaward language in subrecipient contracts and completes risk assessments. However, the speed of the contracting

process and lack of experience with this type of contracting and subrecipient monitoring requirements created confusion and missed practices within the Department. As a result, the Department did not follow its established policies to ensure it included all required elements in the subrecipient contracts and completed risk assessments.

Management also did not provide sufficient oversight to ensure the Department complied with federal regulations.

### ***Effect of Condition***

By not following established policies, the Department cannot ensure it is compliant with subrecipient monitoring requirements. By not clearly identifying subaward recipients as subrecipients, the Department cannot ensure the subrecipients are adequately informed of the program requirements. Additionally, without evaluating risk, the Department cannot ensure each subrecipient receives the appropriate level of monitoring, which makes it less likely the Department would be able to detect subrecipients' noncompliance with federal regulations and the subaward's terms and conditions

### ***Recommendations***

We recommend the Department:

- Follow its established policies and procedures to ensure it includes all required information in subawards
- Follow established policies and procedures to ensure it performs required risk assessments
- Ensure staff responsible for executing contracts understand subrecipient classifications

### ***Department's Response***

*The Department concurs with the finding.*

*The Washington COVID-19 Immigrant Relief Fund was a new program administered at the request of the Governor's Office with a budget of \$40 million and an expedited timeline for implementation due to the pandemic. In response to the Governor's request, the Department's Office of Refugee and Immigrant Assistance (ORIA), under the Community Services Division (CSD), partnered directly with the Department's Central Contracts and Legal Services (CCLS) to ensure the contract was legally and technically appropriate.*

*The ORIA program did not have a lot of experience with this kind of contracting or the required subrecipient monitoring knowledge. ORIA did not utilize CSD's internal contracts unit for how to monitor the contract and as a result, the program did not clearly identify the Washington COVID-19 Immigrant Relief Fund subawards as subrecipients, did not include all of the required*

*subrecipient special terms and conditions in the subawards, and did not complete risk assessments on the subrecipients.*

*To ensure future compliance with subrecipient monitoring requirements, the program will:*

- *Work directly with the CSD Contracts Unit through the entire contracting process from pre-contract to post contract execution.*
- *Review department policies and procedures covering subrecipient roles and responsibilities.*
- *Complete the appropriate refresher training.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

(a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:

1) Federal award identification.

- i. Subrecipient name (which must match the name associated with its unique entity identifier);
- ii. Subrecipient's unique entity identifier;
- iii. Federal Award Identification Number (FAIN);
- iv. Federal Award Date (see the definition of Federal award date in §200.1 of this part) of award to the recipient by the Federal agency;
- v. Subaward Period of Performance Start and End Date;
- vi. Subaward Budget Period Start and End Date;
- vii. Amount of Federal Funds Obligated to the subrecipient by the pass-through entity to the subrecipient;
- viii. Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation;
- ix. Total Amount of the Federal Award committed to the subrecipient by the pass through entity;
- x. Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
- xi. Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity;
- xii. Assistance Listing number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listing number at time of disbursement;
- xiii. Identification of whether the award is R&D; and
- xiv. Indirect cost rate for the Federal award (including if the de minimis rate is charged) per §200.414.

2) All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award;



- 3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;
  - 4)
    - i. An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government. If no approved rate exists, the pass-through entity must determine the appropriate rate in collaboration with the subrecipient, which is either:
      - A. The negotiated indirect cost rate between the pas-through entity and the subrecipient; which can be based on a prior negotiated rate between a different PTE and the same subrecipient. If basing the rate on a previously negotiated rate, the pass-through entity is not required to collect information justifying this rate, but may elect to do so;
      - B. The de minimis indirect cost rate.
    - ii. The pass-through entity must not require use of a de minimis indirect cost rate if the subrecipient has a Federally approved rate. Subrecipients can elect to use the cost allocation method to account for indirect costs in accordance with §200.405(d).
  - 5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipients records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and
  - 6) Appropriate terms and conditions concerning closeout of the subaward.
- (b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for the purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:
- 1) The subrecipient's prior experience with the same or similar subawards;
  - 2) The result of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of this part, and the

extent to which the same or similar subaward has been audited as a major program;

- 3) Whether the subrecipient has new personnel or new or substantially changed systems; and
- 4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also received Federal awards directly from a Federal awarding agency).

Section 200.516 Audit findings, states in part:

(a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:

- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
- (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation

exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Federal Register / Vol. 86, No. 10, *Department of the Treasury, Coronavirus Relief Fund for States, Tribal Governments, and Certain Eligible Local Governments*, states in part:

Fund payments are considered to be federal financial assistance subject to the Single Audit Act (31 U.S.C. 7501– 7507) and the related provisions of the Uniform Guidance, 2 CFR 200.303 regarding internal controls, §§200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

Department of Social and Health Services Administrative Policy No. 13.10, Central Contracts and Legal Services (CCLS), states in part:

1. CCLS is responsible for:
  - a. Establishing and ensuring compliance with statewide agency contracting law, policies and procedures concerning contracts subject to this policy.
  - b. Administering the agency contracts database (ACD).

- c. Providing guidance, consultation, and technical assistance to administrations related to contract management practices in order to ensure compliance with applicable contracting law, regulations, policies, and procedures.
  - d. Coordinating the development of and controlling general terms and conditions for all DSHS contracts and approving any modifications to the general terms and conditions.
  - e. Creating and approving contract formats for use by authorized DSHS staff in developing contracts subject to this policy.
5. DSHS key contract coordinators are responsible for providing guidance and support to staff in their Administrations and:
- a. Ensuring the general terms and conditions developed by CCLS are incorporated into all DSHS contracts.
  - b. Ensuring administration contracts subject to this policy are developed in accordance with this policy.
  - c. Drafting, in collaboration with CCLS, preapproved and semi-custom contracts for final approval by CCLS.

Department of Social and Health Services Administrative Policy No. 13.11, Monitoring Contractor Performance, states in part:

A. Monitoring client service contracts, professional (personal) service contracts, operational (purchased) service contracts, data sharing agreements, and interlocal agreements.

Administrations must:

1. Require staff who monitor contractor performance to complete all relevant CCLS contract academy and DES Procurement training courses.
2. Conduct a risk assessment for each individual contract. Risk Assessments must include, at a minimum, the following contractor and contract core risk factors:
  - a. Contactor experience: The measurement of risk associated with the experience of the contractor in providing the services for which the contract is written.
  - b. Performance history: The measurement of risk associated with compliance issues that resulted in known audit findings, litigations, revoked licenses, terminations for default, or corrective actions against the contractor.

- c. Multiple contracts and funding: The measurement of risk associated with the number of different funding sources, including other contracts with other programs within the department or other state agencies.
- d. Subcontracting of services: The measurement of risk associated with a contractor subcontracting our key activities and their ability to monitor the subcontractor's performance.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-016 The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Coronavirus Relief Fund received risk assessments.**

<b>CFDA Number and Title:</b>	21.019 COVID-19 Coronavirus Relief Fund
<b>Federal Grantor Name:</b>	U.S. Department of the Treasury
<b>Federal Award/Contract Number:</b>	None
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

### *Background*

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The CARES Act authorized the spending of \$2.2 trillion in federal funds to respond to the COVID-19 pandemic.

The CARES Act established the Coronavirus Relief Fund (CRF), which authorized \$150 billion in federal financial assistance for state, local and tribal governments. Through the CARES Act, Washington was awarded about \$2.95 billion of CRF money to help fund the state's response to the COVID-19 pandemic. Of this amount, the Office of Financial Management allocated about \$2.1 billion to state agencies. In fiscal year 2021, state agencies spent approximately \$1.7 billion in CRF funds.

The Department of Commerce (Department) used CRF funds to administer the Small Business Assistance, Rental Assistance and Local Government Assistance programs. These programs passed through federal funds to subrecipients that provided COVID-19 pandemic assistance in Washington. In fiscal year 2021, the Department spent approximately \$983.1 million in CRF funds. The Small Business Assistance program spent over \$366 million, the Rental Assistance program spent over \$101 million, and the Local Government Assistance program spent over \$404 million in fiscal year 2021.

Pass-through entities are required to monitor the activities of subrecipients to ensure they use federal funds properly. To determine the appropriate level of monitoring, federal regulations

require the Department to evaluate each subrecipient's risk of noncompliance with federal statutes, regulations and the terms and conditions of the subaward.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding program requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with federal requirements to ensure CRF subrecipients received risk assessments.

During the audit period, the Small Business Assistance, Rental Assistance, and Local Government Assistance programs allocated CRF money to 376 total subrecipients. The Small Business Assistance program had 40 subrecipients, the Rental Assistance Program had 48 subrecipients, and the Local Government Assistance program had 288 subrecipients.

Our audit found the Department did not ensure all subrecipients received required risk assessments applicable to the CRF. The Local Government Assistance program completed risk assessments for the new CRF money going to its subrecipients. However, the Small Business Assistance and Rental Assistance programs did not complete new risk assessments for their existing subrecipients that received CRF money.

Instead, the Small Business Assistance program relied on risk assessments completed in 2017 for 37 of their existing subrecipients. The remaining three subrecipients were new, and the program did not complete risk assessments for them. The Rental Assistance program relied on risk assessments completed in 2019 for its existing subrecipients. In both cases, the risk assessments occurred before the Department received CRF money and, therefore, did not consider any of the risk factors related to the program.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

For the Small Business Assistance and Rental Assistance programs, Department management said they believed relying on prior subrecipient risk assessments was sufficient to comply with the federal requirement.

## *Effect of Condition*

We determined the Department did not perform risk assessments in accordance with federal requirements for all 88 CRF subrecipients for the Small Business Assistance and Rental Assistance programs. These subrecipients accounted for 23 percent (88 out of 376) of all subrecipients for the CRF program.

Without performing new risk assessments of subrecipients that received CRF funding, which the federal government has classified as a program of higher risk, the Department cannot determine the appropriate amount of monitoring required for each subrecipient. Not performing new risk assessments also makes the Department less likely to detect subrecipients' noncompliance with federal regulations and the subaward's terms and conditions.

## *Recommendations*

We recommend the Department:

- Establish procedures to ensure it performs risk assessments for all subawards it issues
- Monitor to ensure staff perform required risk assessments

## *Department's Response*

### *Small Business Assistance Program*

*As the pandemic spread, the Office of Economic Development & Competitiveness (OEDC) pivoted its operations to meet the needs of small businesses affected by phased orders and public health concerns. This new body of work included new tools and programs to help existing small businesses survive and rebuild in the economic recovery phase as well as start anew, either as a current business owner or as an entrepreneur. This included expanding our traditional book of business, from providing technical assistance and services to businesses, to providing State and Federal funded Working Washington grants, which provided stop-gap assistance to thousands of businesses across the state. Overall the OEDC Pandemic response work included:*

- *Round One: \$10 million, supported 1,508 businesses. (State Funding)*
- *Round Two: \$10 million, supporting 1,574 businesses. (Federal CRF)*
- *Round Three: \$100 million, supporting 7,931 businesses. (Federal CRF)*
- *Round Four: \$240 million, supporting 11,727 businesses. (Federal CRF)*
- *Resiliency Round: \$18 million; supported 2,646 small businesses. (Federal CRF)*
- *Awarding \$300,000 in relief grants to 43 shellfish growers. (State Funding)*
- *Grants for craft beverage establishments, shellfish growers, farmers markets and agritourism: \$16 million, supported 839 small businesses.*



- *Creating the state's Economic Recovery Dashboard.*
- *Developing a new \$30 million Revolving Loan Fund for small businesses. (Federal CRF)*
- *Securing a \$15 million federal grant from the EDA for a package of Safe Start projects.*
- *Coordinating the production of PPE supplies when hundreds of manufacturers answered Governor Inslee's call to retool to make PPE. Commerce staff and loaned executives from Impact Washington helped these companies pivot to produce everything from hand sanitizer to face shields and masks.*
- *Expanding ScaleUp program to provide free training and support to 230 small businesses trying to navigate the pandemic.*
- *Creating a COVID Business Planner to help businesses scale or suspend operations in response to phased health orders as well as resiliency planning for eventual reopening.*
- *Revamping Commerce's small business website to focus on COVID-related content and expanded disaster planning and COVID specific content on Commerce's website.*
- *Pivoting more than 30 staff members in Commerce to manage and process Working Washington grants, including reviews of tens of thousands of applications and processing payments to recipients and answering several thousand calls and emails from small business owners and nonprofits.*
- *Creating and conducting dozens of virtual export webinars and B2B meetings to help businesses maintain growth through successful exporting strategies.*

*The OEDC took on an immense amount of programs and work during Federal fiscal year 2021. The additional programs impacted our only 28 employees. We had an all hands on deck approach to get the more than \$439 Million in state and federal funding out for small business assistance to well over 23,000 businesses. All of this was performed while still maintaining our traditional services. In addition, time was of the essence as there were federal deadlines for getting funding out to communities. In some cases as with Working Washington 3 and the Resiliency Round of funding we had less than 45 days to develop program guidance, market, and award \$270 million dollars. This was an extreme challenge for our staff; however, we were able to meet it, to serve our small businesses in Washington State.*

*Due to staffing and timing constraints the OEDC relied on our prior risk assessments from the Associate Development Organizations (ADO), and working knowledge of our subrecipients National Development Council dba CDP Washington, and Submittable. However, the OEDC Director, Deputy Director, Contracts Manager and Small Business Grants Director maintained daily communication with all subrecipients through email and phone to ensure we were monitoring all activity occurring by and through the subrecipients. The OEDC Director, Deputy Director, Contracts Manager and Small Business Grants Director worked one-on-one with Subrecipient staff to ensure compliance with federal guidelines for the funding, and as the CFR funding program was new to all parties and did not come with much federal guidance if any, and we deemed it imperative we provided daily guidance to the subrecipients to meet all expectations as*

*set forth from general federal grant award guidance, their contract and the OEDC program policies established.*

*The quick implementation of these programs meant our traditional risk assessment vetting was not completed, and all on-site monitoring traditionally done for Federal funded awards was unable to occur. Due to the funds moving quickly, we relied on daily and weekly progress reports, application reviews, award reports, and other backup documentation for monitoring our subrecipients. If more time had been available we would have had the opportunity to perform in traditional ways, with risk assessments, prior to contracting our federal funding and on-site monitoring of our subrecipient files and fiscal documentation. The OEDC has set up a Corrective Action Plan for moving forward in traditional and non-traditional funding occurrences that may arise in the future.*

### Rental Assistance Program

*The Coronavirus pandemic resulted in an unprecedented crises of imminent evictions for an estimated 200,000 households who would face homelessness during the pandemic. Prompt implementation was critical to reducing evictions and homelessness was shown to increase the spread of COVID-19 leading to death. Every week of delay would increase the number of people at risk of dying. At the time the Department received the CARES Act funds for rental assistance, we were in current contracts with grantees for the same activity for whom we had completed risk assessments and monitoring plans 12 months prior. We relied on those risk assessments to comply with CARES Act requirement so staff could focus on ensuring that racial equity measures were met and that people disproportionately impacted during the pandemic had priority access to assistance. This included reviewing demographic data each month and engaging outreach teams to reach underserved and marginalized populations. In addition, when we first received the CARES Act funds (August 2020) the program was ending in December 2020 when the CARES Act funds were set to expire. It was not until late December 2020 that congress extended the end date and we were informed we could continue to fund the program into 2021. Our priorities for those initial five months were to maximize administrative efficiencies by relying on current risk assessments so staff could support counties in expanding programs to assist as many households as possible before evictions were issued.*

*We thank the Washington State Auditor's Office for their cooperation with the Department and the CRF programs during this audit.*

### **Auditor's Remarks**

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (b) Evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:
  - (1) The subrecipient’s prior experience with the same or similar subawards;
  - (2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of this part, and the extent to which the same or similar subaward has been audited as a major program;
  - (3) Whether the subrecipient has new personnel or new or substantially changed systems; and
  - (4) The extent and results of Federal awarding agency monitoring (if the subrecipient also receives Federal awards directly from a Federal awarding agency).

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Office of Management and Budget’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards: *2 CFR 200 – Frequently Asked Questions*, states in part:

200.331-10 Requirements for Pass-Through Entities. Timing of Subrecipient Risk Assessments

Section 200.331(b) indicates that pass-through entities must “evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring...” Are pass-through entities required to assess the risk of non-compliance for each applicant prior to issuing a subaward?

No. While section 200.331(b) requires risk assessments of subrecipients, there is no requirement for pass-through entities to perform these assessments before making subawards. Under the Uniform Guidance, the purpose of these risk assessments is for pass-through entities to determine appropriate subrecipient monitoring. Pass-through entities may use judgment regarding the most appropriate timing for the assessments. Regardless of the timing chosen, the pass-through entity should document its procedures for assessing risk. Section 200.331(b)(1) – (4) includes factors that a pass-through entity may consider when assessing subrecipient risk.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-017 The Department of Corrections did not have adequate internal controls over and did not comply with requirements to ensure it used State and Local Fiscal Recovery Funds for allowable purposes and for costs incurred within the period of performance.**

<b>CFDA Number and Title:</b>	21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds
<b>Federal Grantor Name:</b>	U.S. Department of the Treasury
<b>Federal Award/Contract Number:</b>	SLFRP0002
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs / Cost Principles Period of Performance
<b>Known Questioned Cost Amount:</b>	\$17,380,061

### *Background*

The Coronavirus State and Local Fiscal Recovery Fund (SLFRF) provides direct payments to states to respond to the COVID-19 pandemic or its negative economic effects. This includes providing financial assistance to households and nonprofit organizations. Washington received approximately \$4.4 billion of SLFRF money from the U.S. Department of the Treasury; of this amount, the state Legislature distributed approximately \$28.3 million to the Washington Department of Corrections (Department) to respond to the COVID-19 pandemic and its effects on the state's correctional facilities. Recipients are expected to use SLFRF assistance to meet pandemic response needs and rebuild a strong, more equitable economy as the country recovers.

Federal requirements stipulate that states may use SLFRF funds to support public health expenditures, including COVID-19 prevention and mitigation efforts, medical and behavioral healthcare expenses, public health and safety, and premium pay for essential workers. States may only use funds to cover costs incurred during the period of performance, which began on March 3, 2021, and ends December 31, 2024.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Department did not establish adequate internal controls over and did not comply with requirements to ensure it used SLFRF funds for allowable purposes and for costs incurred within the period of performance.

The Department processed an accounting adjustment to move COVID-19-related expenses from the state's general fund to the SLFRF. When preparing this adjustment, the Department did not effectively review to ensure only expenses incurred within the period of performance were applied to the federal award. This resulted in the Department charging \$17,376,541 to the grant for costs incurred before the period of performance. We are questioning these costs.

We used a statistical sampling method to randomly select and examine 58 out of 3,214 payroll transactions that occurred after March 3, 2021, to determine whether they were for allowable activities under the program and met the period of performance requirements. We found six transactions (10 percent) contained payroll expenses that were incurred before the period of performance, resulting in \$3,519 in unallowable payments. We are questioning these costs.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

The Department received authority to spend the SLFRF funds through the Legislature's supplemental budget. The Office of Financial Management (OFM) included information about the funding for the supplemental budget, but did not provide guidance regarding special compliance requirements for the federal funds.

OFM directed the Department to track all COVID-19-related expenditures in the state's general fund with a unique project code. The amount of SLFRF funds the Department received was the same as the amount it had received for a particular general fund code that covered all of fiscal year 2021. Management did not know about the award's period of performance restrictions and believed all of the Department's expenditures should be reimbursed using its appropriated SLFRF budget of \$28.3 million.

### ***Effect of Condition and Questioned Costs***

By not establishing adequate internal controls over its accounting adjustments, the Department did not have reasonable assurance it only used SLFRF funds for allowable purposes and for costs incurred within the period of performance.

Our sampling methodology meets statistical sampling criteria under generally accepted auditing standards in AU-C 530.05. It is important to note that the sampling technique we used is intended to support our audit conclusions by determining if expenditures complied with program requirements in all material respects. Accordingly, we used an acceptance sampling formula designed to provide a high level of assurance, with a 95 percent confidence of whether exceptions exceeded our materiality threshold. Our audit report and finding reflects this conclusion. However, the likely improper payment projections are a point estimate and only represent our “best estimate of total questioned costs” as required by 2 CFR 200.516(3).

We are questioning \$17,380,061 in expenditures that the Department had incurred before the period of performance, including the payroll expenditures we examined during the audit. We estimate the likely total questioned costs to be \$17,407,483.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Department:

- Establish internal controls to specifically identify payments used as a basis for accounting adjustments and review the expenditures before charging them to federal awards to ensure they are eligible for reimbursement
- Ensure expenditures applied to federal awards occur within their period of performance
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

### ***Department's Response***

*The Department only partially concurs with this finding.*

*We appreciate the State Auditor's Office (SAO) audit of Coronavirus State Fiscal Recovery (CSFR) grant. The Department is committed to ensuring our programs/processes comply with federal regulations and understand that it is the SAO's point of view that the Department did not comply with requirements to ensure it used State Fiscal Recovery Funds for allowable purposes and for cost incurred within in the period of performance. The Department agrees that costs were charged to the grant before the effective date or period of performance of the grant. However, the Department asserts that it does have adequate internal controls over our accounting adjustments to ensure reasonable assurance that the funds were used for allowable purposes. The Department believes that salaries (questioned costs) charged to this grant are consistent with the purpose of the grant and would be allowable if not for occurring outside of the applicable timeframes.*



The Department underscores that no system of internal control is designed, or expected, to discover material information regarding funding streams that is not provided by the funder. In this instance, the Department had asked for \$42 million in supplemental General Fund-State (GFS) dollars to support extraordinary costs related to Covid-19 impacts. Spending authority for the Coronavirus State Fiscal Recovery Funds was given to the Department in section 1221 of the budget bill FY2021 (July 1, 2020 - June 30, 2021) only. Below is a table detailing the expenditure authority schedule coding and how the money breaks out by program:

<u>Fund</u>	<u>Program Code</u>	<u>Appropriation Code</u>	<u>Budget</u>
Coronavirus State Fiscal Recovery Fund - 706	100	[716] Coronavirus State Fiscal Recovery P100	197,000
	200	[726] Coronavirus State Fiscal Recovery P200	31,700,000
	300	[736] Coronavirus State Fiscal Recovery P300	5,879,000
	400	746 Coronavirus State Fiscal Recovery P400	911,000
	500	756 Coronavirus State Fiscal Recovery P500	3,292,000
	700	776 Coronavirus State Fiscal Recovery P700	214,000
	<b>Total for Coronavirus State Fiscal Recovery Fund</b>		

Section 1221 of ESSB 5092 is the second supplemental appropriation for the Department of Corrections. This section did not provide any guidance regarding these funds falling under a new federal grant, nor proviso language about how the money in Fund 706 must be spent. The Department's GFS ask was essentially swapped in the budget process with Coronavirus State Fiscal Recovery (CSFR) funds, dollar for dollar. ESSB 5092 passed Legislature on 4/25/21 and was signed by Governor Inslee on 5/18/21. Absent material information regarding this fundings' applicability period, the Department applied expenditures to the funding consistent with our Expenditure Authority schedule for FY21, and our internal controls ensured that the charges applied to the federal funds were only within FY21 dates.

Unbeknownst to the Department, there was a period of performance that began March 3, 2021. In fact, several other state agencies had similar experiences. The Department finalized its accounting transaction on August 25, 2021, and ACFR Phase 2 closed on September 3, 2021.

*Significantly after Phase 2 close, the Department learned of the March 3 date in the entrance conference discussions with SAO for this audit. Further, the Federal Treasury Final Rule was issued January 27, 2022.*

*The Department concurs that the result of not being provided adequate information by the funder regarding the period of performance is charges to the funding outside of the period of performance. However, due to the lateness of becoming aware of the period of performance, as well as Federal rules issued significantly after the funds were awarded, the Department was unable to make correcting entries as the FY21 ACFR had closed. The Department will consult with the federal granting agency to determine whether questioned cost will be repaid.*

*Finally, the Department recognizes that any system of internal control can be improved and will therefore conduct a review of processes that identify eligible costs for federal grants, the necessary documentation requirements for accounting transfers and records retention organization to make records more easily accessible for audit purposes. The Department appreciated the patience of the SAO in obtaining supporting documentation for the audit.*

### ***Auditor's Remarks***

Washington State's systems of internal controls over federal awards is designed in a decentralized manner. Therefore, individual state agencies are expected to be knowledgeable of federal program requirements when receiving, accounting for and spending federal funds.

The U.S. Department of the Treasury's Interim Final Rule concerning the requirements for allowable uses of Coronavirus State and Local Fiscal Recovery Funds was issued, and took effect, on May 17, 2021. This was during this audit period and prior to the state fiscal year closing date.

We appreciate the Department's commitment to evaluating its system of internal control. We reaffirm our audit finding and will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and

- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.

- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000

for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that

results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Title 31 *U.S. Code of Federal Regulations* (CFR) Part 35, *Pandemic Relief Programs* establishes the following applicable requirements:

Section 35.5 Use of funds, states in part:

- (a) ***In general.*** A recipient may only use funds to cover costs incurred during the period beginning March 3, 2021, and ending December 31, 2024, for one or more of the purposes enumerated in sections 602(c)(1) and 603(c)(1) of the Social Security Act, as applicable, including those enumerated in §35.6, subject to the restrictions set forth in sections 602(c)(2) and 603(c)(2) of the Social Security Act, as applicable.
- (b) ***Costs incurred.*** A cost shall be considered to have been incurred for purposes of paragraph (a) of this section if the recipient has incurred an obligation with respect to pay such cost by December 31, 2024.

## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### State of Washington July 1, 2020 through June 30, 2021

#### **2021-018 The Department of Agriculture did not have adequate internal controls over and did not comply with federal requirements for procurement or suspension and debarment.**

<b>CFDA Number and Title:</b>	21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds
<b>Federal Grantor Name:</b>	U.S. Department of the Treasury
<b>Federal Award/Contract Number:</b>	SLFRP0002
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Procurement, Suspension and Debarment
<b>Known Questioned Cost Amount:</b>	\$10,528,205

#### ***Background***

The Coronavirus State and Local Fiscal Recovery Fund (SLFRF) provides direct payments to states to respond to the COVID-19 pandemic or its negative economic effects. This includes providing financial assistance to households and nonprofit organizations. Washington state received approximately \$4.4 billion of SLFRF money from the U.S. Department of the Treasury; of this amount, the state Legislature distributed \$20 million to the Washington Department of Agriculture (Department) for hunger relief efforts.

Through its Food Assistance and Food Security programs, the Department purchased fresh and shelf-stable foods and supplies. The Department also distributed pass-through funds to community organizations and food banks to assist with preparing, storing and distributing food to those most affected by COVID-19.

Federal regulations require states to follow the same policies and procedures for procuring property and services with federal grant funds as they do with non-federal funds. In Washington, state agencies must follow state law (RCW 39.26), as well as policies and procedures established by the Department of Enterprise Services (DES), when procuring goods and services. DES has established a \$25,000 “direct buy” threshold for agencies to make direct purchases from vendors without competitive solicitation or entering into a contract. DES also establishes master contracts for goods and services that state agencies and local governments can use to streamline the purchasing process.

On March 6, 2020, DES issued a purchasing exception related to special market conditions created by the COVID-19 pandemic, which exempted state agencies from competitive solicitation requirements for goods and services directly related to the state's COVID-19 response.

Federal regulations prohibit grantees from entering into contracts or making subawards under covered transactions to parties that are suspended or debarred from doing business with the federal government. Covered transactions are typically contracts over \$25,000 or subawards of any amount. The regulations require the Department to use one of three approved methods to verify that recipients of covered transactions are not suspended or debarred. These methods are:

- Checking for exclusion records relating to the recipient on the U.S. General Services Administration's System for Award Management (SAM.gov)
- Collecting a certification from the recipient attesting it is not suspended or debarred
- Adding a clause or condition to the covered transaction stating the recipient is not suspended or debarred

Before entering into a covered transaction, the Department must also require recipients to pass down the suspension debarment requirements to any lower-tier participants with whom they enter into a covered transaction.

In fiscal year 2021, the Department paid \$20 million for goods and services related to hunger relief efforts. Of this amount, the Department passed through approximately \$4.9 million to subrecipients.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with requirements for procurement or suspension and debarment.

#### *Goods and services purchased from vendors*

During the audit period, the Department was required to award contracts totaling \$10,528,205 to 30 vendors whose costs exceeded \$25,000. However, we found the Department did not award any SLFRF contracts to these vendors. We also found the Department did not verify the 30 vendors were not suspended or debarred, as federal regulations require.

Additionally, the Department used DES master contracts in three instances to procure goods and services, but did not check the suspension and debarment status of the contractors.



### *Funds passed through to subrecipients*

We selected 11 out of 21 subawards the Department issued during the audit period to determine if it had verified the subrecipients were not suspended or debarred. We randomly selected 10 subawards and specifically selected one subaward to review because it was individually significant (approximately \$2.7 million).

We found the Department did not use one of the three approved methods to verify the suspension and debarment status of the subrecipients for six subawards (55 percent), including the individually significant subaward. We also determined that the Department did not issue a subaward for two of the subawards that were required for covered transactions under federal regulations. As a result, the Department did not inform the subrecipients of their responsibility to pass down the suspension debarment requirements to any lower-tier participants.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

These issues were not reported as a finding in the prior audit.

### ***Cause of Condition***

#### *Goods and services purchased from vendors*

Management said it was not aware of the requirement to enter into contracts for covered transactions exceeding \$25,000, and it relied on DES's competitive solicitation exemption to rationalize not entering into contracts with its vendors. Additionally, management incorrectly reviewed the following information to verify the vendors' suspension and debarment status: DES's vendor debarment list, each vendor's prior exclusion history, and vendors' current or prior participation in other federal programs.

#### *Funds passed through to subrecipients*

The Department has an established process for verifying the suspension and debarment status of its Food Assistance subrecipients from its other federal programs. However, because the Department did not issue two required subawards, it did not complete the suspension and debarment checks through its normal process.

For Food Security subrecipients, management said it believed the Department could rely on preexisting subawards and amendments for other programs to satisfy the suspension and debarment requirements. As a result, the Department did not review the suspension and debarment status of each subrecipient to ensure it was documented for compliance purposes.

The Department also did not have adequate policies and procedures for procuring goods and services or for verifying the suspension and debarment status of contractors and subrecipients.

### *Effect of Condition and Questioned Costs*

By not procuring contracts properly, the Department did not comply with state and federal requirements. Additionally, by not entering into contracts with its vendors, the Department did not establish contract requirements and expected deliverables. Therefore, we conclude the Department improperly charged \$10,528,205 to the SLFRF program to purchase goods and services.

By not complying with suspension and debarment requirements, the Department is at an increased risk of entering into covered transactions with excluded entities. Any payments made to excluded entities would be unallowable, and the grantor could potentially recover them.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### *Recommendations*

We recommend the Department:

- Establish internal controls to ensure it procures goods and services in accordance with state policies and procedures
- Improve its internal controls to ensure compliance with federal suspension and debarment requirements
- Update its policies and procedures for procurement and suspension and debarment
- Consult with the grantor to determine if the identified questioned costs should be repaid

### *Department's Response*

*The Washington State Department of Agriculture is committed to addressing all noncompliance with the federal uniform and treasury guidance for the CSLFRF funding that was deployed to mitigate a hunger crisis in our state. We acknowledge and will remedy the administrative errors that resulted in these audit findings and we affirm that though there were errors, every dollar spent was fully accounted for, no fraud has been identified, and these funds were successfully deployed in our emergency food security response. The COVID-19 pandemic has been widely described as "unprecedented" and in light of a sharp increase in food insecurity, with as many as one in three Washingtonians experiencing or at risk of hunger, WSDA took unprecedented measures to ensure that emergency food assistance was available to any Washingtonian in need. In spite of noncompliance and the measures we will take to address it, WSDA took the steps necessary to feed Washingtonians in need, and in that mission, we were wholly successful.*

*WSDA is ensuring federal suspension and debarment language is added to each contract and referenced in each new amendment. In addition, program staff will check the System for Award Management (SAM) prior to the contract execution date. The contractor verification documentation will be maintained in each contract file. Staff will require each contractor to*

*include suspension and debarment language in all lower tier agreements. WSDA will begin updating policies and procedures as recommended by SAO. Agency staff who manage federal contracts will receive training and written instructions on federal suspension and debarment requirements by June 30, 2023.*

*The Department will update policies and procedures for federal procurement, suspension and debarment to include training for staff by June 30, 2023.*

*We appreciate the opportunity to work with the auditors to ensure the department meets all state and federal requirement.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.317 Procurements by states, states in part:

When procuring property and services under a Federal award, a State must follow the same policies and procedures it uses for procurements from its non-Federal funds. The

State will comply with §200.321, 200.322, and 200.323 and ensure that every purchase order or other contract includes any clauses required by §200.327.

Section 200.327 Contract provisions.

The non-Federal entity's contracts must contain the applicable provisions described in appendix II to this part.

Section 200.331 Subrecipient and contractor determinations. Contract provisions.

The non-Federal entity may concurrently receive Federal awards as a recipient, a subrecipient, and a contractor, depending on the substance of its agreements with Federal awarding agencies and pass-through entities. Therefore, a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor. The Federal awarding agency may supply and require recipients to comply with additional guidance to support these determinations provided such guidance does not conflict with this section.

(a) Subrecipients. A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. See definition for Subaward in § 200.1 of this part. Characteristics which support the classification of the non-Federal entity as a subrecipient include when the non-Federal entity:

- (1) Determines who is eligible to receive what Federal assistance;
- (2) Has its performance measured in relation to whether objectives of a Federal program were met;
- (3) Has responsibility for programmatic decision-making;
- (4) Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and
- (5) In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

(b) Contractors. A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor. See the definition of contract in § 200.1 of this part. Characteristics indicative of a procurement relationship between the non-Federal entity and a contractor are when the contractor:

- (1) Provides the goods and services within normal business operations;
- (2) Provides similar goods or services to many different purchasers;
- (3) Normally operates in a competitive environment;

- (4) Provides goods or services that are ancillary to the operation of the Federal program; and
- (5) Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.

(c) Use of judgment in making determination. In determining whether an agreement between a pass-through entity and another non-Federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a subaward or a procurement contract.

#### Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

#### Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart

D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

Appendix II to Part 200 – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, states in part:

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following as applicable.

- (B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- (H) Debarment and Suspension (Executive Orders 12549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

2 CFR Part 180, *OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)*, Subpart C – Responsibilities of Participants Regarding Transactions Doing Business With Other Persons, states in part:

Section 180.220 Are any procurement contracts included as covered transactions?

(a) Covered transactions under this part –

- (1) Do not include any procurement contracts awarded directly by a Federal agency; but
- (2) Do include some procurement contracts awarded by non-Federal participants in nonprocurement covered transactions.

(b) Specifically, a contract for goods or services is a covered transaction if any of the following applies:

- (1) The contract is awarded by a participant in a nonprocurement transaction that is covered under §180.210, and the amount of the contract is expected to equal or exceed \$25,000.

Section 180.300 What must I do before I enter into a covered transaction with another person at the next lower tier?

When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person.

Section 180.330 What requirements must I pass down to persons at lower tiers with whom I intend to do business?

Before entering into a covered transaction with a participant at the next lower tier, you must require that participant to -

(a) Comply with this subpart as a condition of participation in the transaction. You may do so using any method(s), unless the regulation of the Federal agency responsible for the transaction requires you to use specific methods.

(b) Pass the requirement to comply with this subpart to each person with whom the participant enters into a covered transaction at the next lower tier.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §200.300 Statutory and national policy requirements through 200.309 Period of performance.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will



not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-019 The Department of Agriculture did not have adequate internal controls over and did not comply with federal requirements to ensure it issued all required subawards, included all required information in the subawards issued, and performed risk assessments for subrecipients of the Coronavirus State and Local Fiscal Recovery Fund.**

<b>CFDA Number and Title:</b>	21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds
<b>Federal Grantor Name:</b>	U.S. Department of the Treasury
<b>Federal Award/Contract Number:</b>	SLFRP0002
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	\$3,371,121

### ***Background***

The Coronavirus State and Local Fiscal Recovery Fund (SLFRF) provides direct payments to states to respond to the COVID-19 pandemic or its negative economic effects. This includes providing financial assistance to households and nonprofit organizations. Washington state received approximately \$4.4 billion of SLFRF money from the U.S. Department of the Treasury; of this amount, the state Legislature distributed \$20 million to the Washington Department of Agriculture (Department) for hunger relief efforts.

Through its Food Assistance and Food Security programs, the Department purchased fresh and shelf-stable foods and supplies. The Department also distributed pass-through funds to community organizations and food banks to assist with preparing, storing and distributing food to those most affected by COVID-19.

Federal law (2 CFR 200.332) requires pass-through entities to include certain information in all of their subawards. This includes information about the federal award the pass-through entity received, details about the subaward being awarded, and clearly identifying the recipient as a subrecipient. Pass-through entities must also monitor the activities of subrecipients to ensure they are properly using federal funds. To determine the appropriate level of monitoring, federal

regulations require the Department to evaluate each subrecipient's risk of noncompliance with federal statutes and regulations and the terms and conditions of the subaward.

In fiscal year 2021, the Department paid \$20 million for goods and services related to hunger relief efforts. Of this amount, the Department passed through approximately \$4.9 million to subrecipients.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding program requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with federal requirements to ensure it issued all required subawards, included all required information in the subawards issued, and performed risk assessments for subrecipients of the SLFRF.

During the audit period, the Department awarded SLFRF funds to 18 subrecipients, requiring 21 subawards, related to the Food Assistance and Food Security programs. We used a non-statistical sampling method to randomly select and examine 10 subrecipients, in addition to one subrecipient we specifically selected to review because the amount it received was individually significant (approximately \$2.7 million). We found the Department failed to issue subawards to five subrecipients but paid them a total of \$3,371,121. For the six subawards we reviewed, we found all were missing the following required information:

- Subrecipient's unique entity identifier
- Federal Award Identification Number (FAIN)
- Federal award date
- Federal award project description (responsive to the reporting requirements under the Federal Funding Accountability and Transparency Act (FFATA))
- Indirect cost rate for the federal award

Additionally, the six subawards we reviewed did not identify the recipient as a subrecipient, as required by federal regulations.

We also found the Department did not perform a risk assessment for any of its subrecipients during the audit period.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

These issues were not reported as a finding in the prior audit.

## ***Cause of Condition***

Management and staff did not have an adequate understanding of the requirements for identifying subrecipients and executing subawards, as well as distinguishing them from the Department's state-funded contracts and from subawards for other federal awards.

The Department issued SLFRF subawards beginning in May 2021. The Department had preexisting agreements with subrecipients of other federal programs, so it relied on the results of risk assessments conducted prior to receiving its SLFRF funding instead of performing new subrecipient risk assessments before making subawards.

## ***Effect of Condition and Questioned Costs***

By not following established policies, the Department cannot ensure it is compliant with subrecipient monitoring requirements. By not clearly identifying subaward recipients as subrecipients, the Department cannot ensure the subrecipients are adequately informed of the program requirements. Additionally, without evaluating risk, the Department cannot ensure each subrecipient receives the appropriate level of monitoring, which makes it less likely the Department would be able to detect subrecipients' noncompliance with federal regulations and the subaward's terms and conditions.

Because the Department did not issue subawards to five of its subrecipients, we are questioning the \$3,371,121 paid to these subrecipients. We also estimate likely questioned costs totaling \$3,813,586. We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

## ***Recommendations***

We recommend the Department:

- Implement internal controls to ensure it issues subawards for federal funds passed through to subrecipients, as required
- Establish policies and procedures to ensure it includes all required information in the subawards issued
- Ensure it performs risk assessments of subrecipients and evaluates the results to determine the required level of monitoring for each subrecipient in accordance with federal requirements
- Ensure staff responsible for issuing subawards understand subrecipient classifications

## ***Department's Response***

*The Washington State Department of Agriculture is committed to addressing all noncompliance with the federal uniform and treasury guidance for the CSLFRF funding that was deployed to*

*mitigate a hunger crisis in our state. We acknowledge and will remedy the administrative errors that resulted in these audit findings and we affirm that though there were errors, every dollar spent was fully accounted for, no fraud has been identified, and these funds were successfully deployed in our emergency food security response. The COVID-19 pandemic has been widely described as “unprecedented” and in light of a sharp increase in food insecurity, with as many as one in three Washingtonians experiencing or at risk of hunger, WSDA took unprecedented measures to ensure that emergency food assistance was available to any Washingtonian in need. In spite of noncompliance and the measures we will take to address it, WSDA took the steps necessary to feed Washingtonians in need, and in that mission, we were wholly successful.*

*The department will update policies and procedures for federal subawards to include risk assessment in the application and/or prior to contracting and establish risk-based monitoring processes. The department will conduct training for staff by June 30, 2023.*

### ***Auditor’s Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department’s corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.1 Definitions, states in part:

*Improper payment* means:

- 1) Any payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other *legally applicable* requirements.
  - (i) Incorrect amounts are overpayments or underpayments that are made to eligible recipients (including inappropriate denials of payment or service, any payment that does not account for credit for applicable discounts, payments that are for an incorrect amount, and duplicate payments). An improper payment also includes any payment that was made to an ineligible recipient or for an ineligible good or service, or payments for goods or services not received (except for such payments authorized by law).

*Note 1 to paragraph (1)(i) of this definition.* Applicable discounts are only those discounts where it is both advantageous and within the agency's control to claim them.

- (ii) When an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation, this payment should also be considered an improper payment. When establishing documentation requirements for payments, agencies should ensure that all documentation requirements are necessary and should refrain from imposing additional burdensome documentation requirements.
- (iii) Interest or other fees that may result from an underpayment by an agency are not considered an improper payment if the interest was paid correctly. These payments are generally separate transactions and may be necessary under certain statutory, contractual, administrative, or other legally applicable requirements.
- (iv) A “questioned cost” (as defined in this section) should not be considered an improper payment until the transaction has been completely reviewed and is confirmed to be improper.
- (v) The term “payment” in this definition means any disbursement or transfer of Federal funds (including a commitment for future payment, such as cash, securities, loans, loan guarantees, and insurance subsidies) to any non-Federal person, non-Federal entity, or Federal employee, that is made by a Federal agency, a Federal contractor, a Federal grantee, or a governmental or other organization administering a Federal program or activity.
- (vi) The term “payment” includes disbursements made pursuant to prime contracts awarded under the Federal Acquisition Regulation and Federal awards subject to this part that are expended by recipients.

- (2) See definition of improper payment in OMB Circular A-123 appendix C, part I A (1) “What is an improper payment?” Questioned costs, including those identified in audits, are not an improper payment until reviewed and confirmed to be improper as defined in OMB Circular A-123 appendix C.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance

with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (c) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:

1) Federal award identification.

- i. Subrecipient name (which must match the name associated with its unique entity identifier);
- ii. Subrecipient’s unique entity identifier;
- iii. Federal Award Identification Number (FAIN);
- iv. Federal Award Date (see the definition of Federal award date in §200.1 of this part) of award to the recipient by the Federal agency;
- v. Subaward Period of Performance Start and End Date;
- vi. Subaward Budget Period Start and End Date;
- vii. Amount of Federal Funds Obligated to the subrecipient by the pass-through entity to the subrecipient;
- viii. Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation;
- ix. Total Amount of the Federal Award committed to the subrecipient by the pass through entity;
- x. Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
- xi. Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity;

- xii. Assistance Listing number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listing number at time of disbursement;
  - xiii. Identification of whether the award is R&D; and
  - xiv. Indirect cost rate for the Federal award (including if the de minimis rate is charged) per §200.414.
- 2) All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award;
  - 3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;
  - 4)
    - i. An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government. If no approved rate exists, the pass-through entity must determine the appropriate rate in collaboration with the subrecipient, which is either:
      - A. The negotiated indirect cost rate between the pas-through entity and the subrecipient; which can be based on a prior negotiated rate between a different PTE and the same subrecipient. If basing the rate on a previously negotiated rate, the pass-through entity is not required to collect information justifying this rate, but may elect to do so;
      - B. The de minimis indirect cost rate.
    - ii. The pass-through entity must not require use of a de minimis indirect cost rate if the subrecipient has a Federally approved rate. Subrecipients can elect to use the cost allocation method to account for indirect costs in accordance with §200.405(d).
  - 5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipients records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and
  - 6) Appropriate terms and conditions concerning closeout of the subaward.



- (d) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for the purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:
- 1) The subrecipient's prior experience with the same or similar subawards;
  - 2) The result of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of this part, and the extent to which the same or similar subaward has been audited as a major program;
  - 3) Whether the subrecipient has new personnel or new or substantially changed systems; and
  - 4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also received Federal awards directly from a Federal awarding agency).

#### Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-020 Washington State University did not establish adequate internal controls over and did not comply with federal requirements to conduct risk assessments of student information security for the Student Financial Assistance programs.**

<b>CFDA Number and Title:</b>	84.007, Federal Supplemental Educational Opportunity Grant 84.033, Federal Work-Study Program 84.038, Federal Perkins Loan Program 84.063, Federal Pell Grant Program 84.268, Federal Direct Student Loans 84.379, Teacher Education Assistance for College and Higher Education Grants
<b>Federal Grantor Name:</b>	U.S. Department of Education
<b>Federal Award/Contract Number:</b>	Various
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Special Tests and Provisions: Gramm-Leach-Bliley Act – Student Information Security
<b>Known Questioned Cost Amount:</b>	None

### *Background*

The Gramm-Leach-Bliley Act (Act) requires financial institutions to explain their information-sharing practices to their customers and to safeguard sensitive data. The Federal Trade Commission considers Title-IV eligible institutions that participate in the Title IV Educational Assistance Programs to be “financial institutions” and subject to the Act because of their participation in the wiring of federal aid funds to consumers.

Provisions of the Act include requirements for financial institutions to develop, implement and maintain an information security program over confidential and financial information. Under the Family Educational Rights and Privacy Act (FERPA), the U.S. Department of Education requires in its institutional Program Participation Agreement for institutions to adhere to the Act’s requirements and to protect student financial aid information from unauthorized disclosure, misuse, alteration, destruction or other compromising acts.

The U.S. Department of Education provides further guidance to participating institutions regarding methods for meeting cybersecurity requirements. Institutions of higher education are to designate individual(s) responsible for coordinating the institution's information security program and conducting risk assessments to identify foreseeable internal and external risks to information security, confidentiality and data integrity, and to document and evaluate the safeguards in place to mitigate the effects of, or eliminate, any identified risks.

Each institution's risk assessment must consider the following key elements:

- Employee training and management
- Information systems, including network and software design, as well as information processing, storage, transmission and disposal
- Detecting, preventing and responding to attacks, intrusions or other system failures

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported Washington State University (University) did not establish adequate internal controls over and did not comply with federal requirements to conduct risk assessments of student information security for the Student Financial Assistance programs. The prior finding number was 2020-021.

### *Description of Condition*

The University did not establish adequate internal controls over and did not comply with federal requirements to conduct risk assessments of student information security for the Student Financial Assistance program.

The Chief Information Security Officer is responsible for coordinating the University's information security program. The University implemented written policies for conducting information security risk assessments and security assessment and authorization reviews during the audit period. The University also had documentation to show it implemented activities to monitor and assess threats to information security.

However, the University did not have adequate documentation to show that it performed a formal risk assessment specific to the requirements for information systems covered under the Act. Because of this, we also found the University did not have readily available documentation to support the specific safeguards implemented in response to the risks identified through the required risk assessment.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

## ***Cause of Condition***

University management was aware of the information system security requirements under the Act and established policies and procedures for performing the required information security risk assessment specific to the Act. During the audit period, management redesigned the risk assessment to better address the requirements under the Act, but did not monitor staff assigned with completing the risk assessment to ensure it was performed and adequately documented.

## ***Effect of Condition***

By not ensuring staff completed and adequately documented risk assessments of information system security specific to the Act, the University could not easily identify which systems security safeguards were implemented in response to identified risks of unauthorized disclosure, including theft, manipulation, destruction, or misuse of student information.

## ***Recommendations***

We recommend the University:

- Improve its internal controls to ensure information system security risk assessments are performed in accordance with federal regulations, program requirements and University policy
- Monitor the results of risk assessments to ensure appropriate safeguards are documented and implemented in response to identified risks

## ***University's Response***

*Washington State University takes very seriously its responsibilities related to information system security and the protection of customer information from unauthorized disclosure, theft, manipulation, destruction, or misuse.*

*As noted within the Background of this report, the issue within this report is repeated from the prior year, Fiscal Year 2020. The report was issued in May 2021. The current audit scope was to review for controls and implementation of corrective action through the end of the fiscal year, effectively, through June 30, 2021 (two months after report issuance date). The University had provided a corrective action plan for communicated issues and noted implementation would be affected by March 31, 2022. This deadline has been met.*

*As of the end of March 2022, Fiscal Year 2022, the University has revised and improved the tools and processes for conducting information security risk assessments. The University used the refined tools to perform comprehensive assessments of risks against the control environment and has documentation to support both the results of the assessment and activities implemented, as a result of the assessment, to monitor and assess threats to information security.*

*Washington State University continues to maintain its diligence in actively assessing and managing risks in information security and specific to the requirements for information systems covered under the Gramm-Leach-Bliley Act.*

### ***Auditor's Remarks***

We thank the University for its cooperation and assistance throughout the audit. We will review the status of the University's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

- (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.



**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Title 16 CFR Part 314, *Standards for Safeguarding Customer Information* establishes the following applicable requirements:

#### 314.2 Definitions.

- (b) *Customer information* means any record containing nonpublic personal information as defined in 16 CFR 313.3(n), about a customer of a financial institution, whether in paper, electronic, or other form, that is handled or maintained by or on behalf of you or your affiliates.
- (c) *Information security program* means the administrative, technical, or physical safeguards you use to access, collect, distribute, process, protect, store, use, transmit, dispose of, or otherwise handle customer information.

#### 314.3 Standards for safeguarding customer information.

- (a) Information security program. You shall develop, implement, and maintain a comprehensive information security program that is written in one or more readily accessible parts and contains administrative, technical, and physical safeguards that are appropriate to your size and complexity, the nature and scope of your activities, and the sensitivity of any customer information at issue. Such safeguards shall include the elements set forth in 314.4 and shall be reasonably designed to achieve the objectives of this part, as set forth in paragraph (b) of this section.
- (b) Objectives. The objectives of the Act, and of this part, are to:
  - (1) Insure the security and confidentiality of customer information;
  - (2) Protect against any anticipated threats or hazards to the security or integrity of such information; and
  - (3) Protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any customer.

314.4 Elements, states in part:

In order to develop, implement and maintain your information security program, you shall:

- (b) Identify reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of customer information that could result in the unauthorized disclosure, misuse, alteration, destruction or other compromise of such information, and assess the sufficiency of any safeguards in place to control these risks. At a minimum, such a risk assessment should include consideration of risks in each relevant area of your operations, including:
  - (1) Employee training and management;
  - (2) Information systems, including network and software design, as well as information processing, storage, transmission and disposal; and
  - (3) Detecting, preventing and responding to attacks, intrusions, or other systems failures.
- (c) Design and implement information safeguards to control the risks you identify through risk assessment, and regularly test or otherwise monitor the effectiveness of the safeguards' key controls, systems and procedures.
- (d) Oversee service providers, by:
  - (1) Taking reasonable steps to select and retain service providers that are capable of maintaining appropriate safeguards for the customer information at issue; and
  - (2) Requiring your service providers by contract to implement and maintain such safeguards.
- (e) Evaluate and adjust your information security program in the light of the results of the testing and monitoring required by paragraph (c) of this section; any material changes to your operations or business arrangements; or any other circumstances that you know or have reason to know may have a material impact on your information security program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-021 The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with federal requirements to ensure Local Education Agencies implemented testing security measures.**

**CFDA Number and Title:** 84.010 Title I Grants to Local Educational Agencies (Title I, Part A of the Every Student Succeeds Act)  
**Federal Grantor Name:** U.S. Department of Education  
**Federal Award Number:** S010A180047, S101A190047-19A, S010A200047  
**Pass-through Entity:** None  
**Pass-through Award/Contract Number:** None  
**Applicable Compliance Component:** Special Tests and Provisions: Assessment System Security  
**Known Questioned Cost Amount:** None

### *Background*

The Title I Grants to Local Educational Agencies (Title I, Part A) provides financial assistance to improve the teaching and learning of children who are at risk of not meeting challenging academic standards and who reside in areas with high concentrations of children from low-income families.

The Every Student Succeeds Act (ESSA) requires states to perform annual statewide assessments in reading, language arts and mathematics to all students in grades three through eight. The ESSA also requires states to administer assessments in reading, language arts and mathematics once in high school, as well as in science at least once in each of grades three through five, six through nine, and 10 through 12.

The Office of Superintendent of Public Instruction (Office) administers the Title I, Part A program in Washington. The Office, in consultation with Local Education Agencies (LEAs), establishes and maintains an assessment system that is valid, reliable and consistent with professional and technical standards. In its assessment system, the Office has policies and procedures to maintain test security and ensure that LEAs implement those policies and procedures.

LEAs are required to complete a District Administration and Security Report (DASR) for each test administered, and they must submit the report to the Office no later than five business days after completion of each test administration.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported the Office did not have adequate internal controls over and did not comply with federal requirements to ensure LEAs implemented testing security measures. The prior finding number was 2020-026.

### ***Description of Condition***

The Office did not have adequate internal controls over and did not comply with federal requirements to ensure LEAs implemented testing security measures.

Through manuals, training modules, tools, templates and other documents, the Office provides guidance to LEAs on how they must manage and administer assessments in compliance with the law. The Office also requires LEAs to submit a DASR at the conclusion of the testing cycle to ensure they have implemented testing security measures.

During the audit period, the Office did not conduct on-site or desk monitoring to ensure LEAs followed the policies and procedures it implemented. The Office originally planned to implement new on-site and desk monitoring protocols in the spring of 2020 developed with the intent to conduct monitoring in accordance with federal requirements for the 2020-21 school year.

However, standard protocols were followed that included identifying a list of all LEAs that administered each assessment and checking to ensure the Office received DASRs for all assessments administered. At the time of the audit, the Office had not conducted all reviews due to difficulty gathering DASRs because of the COVID-19 pandemic.

During the audit period, 178 LEAs administered 178 total assessments. The Office did not receive 95 DASRs (53 percent of total assessments administered), but the 83 DASRs it did receive were completed and submitted within five business days after completion of each test administration.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

While the Office developed new monitoring protocols in response to the prior audit finding recommendations, management decided not to implement them until June 2021 due to the anticipated difficulties in obtaining records from LEAs because of the COVID-19 pandemic.

## ***Effect of Condition***

By not monitoring LEAs, the Office had no assurance that LEAs implemented proper testing security measures.

## ***Recommendation***

We recommend the Office follow its newly established procedures by monitoring the DASRs to ensure that the LEAs have implemented testing security measures.

## ***Office's Response***

*OSPI will continue to provide school districts with all required training materials that, when implemented, help to ensure that appropriate protocols are in place for the security of the tests.*

*For purposes of this response, it is important to distinguish between the District Administration and Security Report (DASR), which has been in place and ongoing, and the planned onsite and desk monitoring, full implementation of which has been delayed due to the pandemic.*

*Districts ensure training and security protocols are followed by completing a DASR. OSPI requires all districts to submit completed DASRs to document the security training and protocols were followed. OSPI begins communicating to districts that DASRs are required and when they are due at the start of each school year. This information is included in training PowerPoints, monthly statewide webcasts, and in a weekly assessment newsletter, repeated many times prior to reporting deadline. At the end of the school year, OSPI follows up with districts that do not submit on-time DASR reports, via emails and/or phone calls. This follow-up continues for three months, into the start of the new school year. OSPI documents DASR reports not received by OSPI after this period.*

*During the 2020-21 school year, the timeframe for this audit, OSPI communicated broadly and regularly regarding the DASR requirement. This is evidenced by the broadcasting and posting of the New and All-District Coordinator Training webinars on August 28 and September 11, 2020; reminders in WAW articles on August 27, September 3, and September 10, 2020; published procedures in the Test Coordinators Manual and spring Test Coordinator Training (Feb 2021); Assessment Update Webcasts in May 2021 and June 2021; and Washington Assessment Weekly (WAW) articles on June 10 and 17, 2021.*

*Additionally, OSPI had begun due diligence to follow-up with districts that had not submitted their reports.*

*It is also important to note the unusual circumstances of the statewide assessment during the spring of 2021. General assessments (Smarter Balanced math and ELA and the Washington Comprehensive Assessment of Science) were deferred to a fall test administration. The alternate assessment (WA-AIM) allowed the option for either a spring or fall test administration. Therefore,*

*this audit’s timeline spanned only part of the test administration; the remainder of testing was completed in the fall of 2021.*

*Separate from DASR submission, and beginning with the spring 2022 assessments, OSPI will resume district monitoring, otherwise known as onsite and desk monitoring. District monitoring allows OSPI staff to make a direct and personal connection with school district staff while observing and recording that security protocols and test administration procedures are being/have been properly followed. Monitoring was paused beginning in March 2020 through the end of the school year 2021 due to the COVID pandemic. These observations will be conducted at a rotating sample of districts. The goal of these onsite and desk checks is to identify areas where districts need support and those supports can be carried over to support other districts statewide.*

*Collection of DASRs and district monitoring/audits are separate activities due to the nature and timing of each activity. DASR submission is an activity that is completed at the end of a school district’s test administration. For most districts in WA, DASRs are completed in June, after spring testing. WA-AIM spring testing concluded on June 11, 2021. In the last two weeks of June, OSPI had begun to follow-up with districts that hadn’t yet submitted DASRs.*

*As done in 2020-21, OSPI will continue to regularly communicate with districts regarding the DASR requirements and send follow-up communications if completed submissions are not timely.*

### ***Auditor’s Remarks***

We thank the Office for its cooperation and assistance throughout the audit. We will review the status of the Office’s corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 20 U.S. Code §6311 – State plans, states in part:

(b) Challenging academic standards and academic assessments

(2) ACADEMIC ASSESSMENTS.—

(A) IN GENERAL.—Each State plan shall demonstrate that the State educational agency, in consultation with local educational agencies, has implemented a set of high-quality student academic assessments in mathematics, reading or language arts, and science. The State retains the right to implement such assessments in any other subject chosen by the State.

(B) REQUIREMENTS — The assessments under subparagraph (A) shall—

(i) except as provided in subparagraph (D), be—

(I) the same academic assessments used to measure the achievement of all public elementary school and secondary school students in the State; and

(II) administered to all public elementary school and secondary school students in the State;

(ii) be aligned with the challenging State academic standards, and provide coherent and timely information about student attainment of such standards and whether the student is performing at the student's grade level;

(iii) be used for purposes for which such assessments are valid and reliable, consistent with relevant, nationally recognized professional and technical testing standards, objectively measure academic achievement, knowledge, and skills, and be tests that do not evaluate or assess personal or family beliefs and attitudes, or publicly disclose personally identifiable information;

(iv) be of adequate technical quality for each purpose required under this Act and consistent with the requirements of this section, the evidence of which shall be made public, including on the website of the State educational agency;

(v)(I) in the case of mathematics and reading or language arts, be administered—

(aa) in each of grades 3 through 8; and

(bb) at least once in grades 9 through 12;

(II) in the case of science, be administered not less than one time during—

(aa) grades 3 through 5;

(bb) grades 6 through 9; and

(cc) grades 10 through 12; and

(III) in the case of any other subject chosen by the State, be administered at the discretion of the State;

(vi) involve multiple up-to-date measures of student academic achievement, including measures that assess higher-order thinking skills and understanding which may include measures of student academic growth and may be partially delivered in the form of portfolios, projects, or extended performance tasks;

(vii) provide for—

(I) the participation in such assessments of all students;

(II) the appropriate accommodations, such as interoperability with, and ability to use, assistive technology, for children with disabilities (as defined in section 602(3) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(3))), including students with the most significant cognitive disabilities, and students with a disability who are provided accommodations under an Act other than the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), necessary to measure the academic achievement of such children relative to the challenging State academic standards or alternate academic achievement standards described in paragraph (1)(E); and

(III) the inclusion of English learners, who shall be assessed in a valid and reliable manner and provided appropriate accommodations on assessments administered to such students under this paragraph, including, to the extent practicable, assessments in the language and form most likely to yield accurate data on what such students know and can do in academic content areas, until such students have achieved English language proficiency, as determined under subparagraph (G);



Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

The Professional Standards and Security, Incident, and Reporting Guidelines (PIRG) established by the Office states in part:

After testing, it is the LEA's responsibility to complete a District Administration and Security Report for each test administration. This report has check boxes of responsibilities. Include an explanation of boxes checked "no" and notation of any missing or damaged materials. As required, submit the report to OSPI through ARMS no later than five business days after completion of each test administration.

## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### State of Washington July 1, 2020 through June 30, 2021

**2021-022 The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to ensure payments to subrecipients were adequately supported for the Special Education program.**

**CFDA Number and Title:** 84.027 Special Education-Grants to States (IDEA, Part B)  
84.173 Special Education-Preschool Grants (IDEA Preschool)

**Federal Grantor Name:** U.S. Department of Education

**Federal Award/Contract Number:** H027A190074 - 19A, H027A200074- 20A, H173A180074, H173A190074, H173A200074

**Pass-through Entity Name:** None

**Pass-through Award/Contract Number:** None

**Applicable Compliance Component:** Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Subrecipient Monitoring

**Known Questioned Cost Amount:** None

#### ***Background***

The Individuals with Disabilities Education Act's (IDEA) Special Education Grants to States program (IDEA, Part B) provides grants to states, and through them to local educational agencies (LEAs), to help provide special education and related services to eligible children with disabilities. IDEA's Special Education Preschool Grants program (IDEA Preschool), also known as the "619 program," provides grants to states, and through them to LEAs, to assist with providing special education and related services to children with disabilities ages 3 through 5 and, at a state's discretion, to 2-year-old children with disabilities who will turn 3 during the school year.

The Office of Superintendent of Public Instruction (Office) administers the Special Education program (program) in Washington and serves about 143,000 eligible students. The program provides specially designed instruction that addresses the unique needs of a student. The Office offers the program at no cost to parents, and it includes the related services students need to access their educational program. The Office spent about \$234 million in federal IDEA grant funds during fiscal year 2021 and passed about \$230 million of that funding through to LEAs. The Office also passes funding to educational service districts (ESDs) to help school districts save money by

pooling resources, providing essential services for school districts and communities, and helping the Office implement education initiatives. ESDs spend about 3 percent of total program funding.

The Office approves LEA grant applications that outline proposed special education projects, goals, a description of the services they will provide and budget categories for carrying out project activities. LEAs claim grant funding on a reimbursement basis through the Office's Grants Claim System (system). The system allows LEAs to request reimbursement only in the specific categories laid out within their approved budget. The system approves the reimbursement request as long as grant funds are budgeted in the specific categories and are still available. LEAs are not required to submit any supporting documentation with the reimbursement requests.

The Office's procedure is to perform on-site monitoring and desk reviews of selected LEAs to ensure they use federal funds only for allowable purposes and that they meet federal cost principles. The Office uses a risk-based approach to select LEAs for review annually.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported the Office did not have adequate internal controls over and did not comply with requirements to ensure payments to subrecipients were adequately supported for the program. The prior finding number was 2020-028.

### ***Description of Condition***

The Office did not have adequate internal controls over and did not comply with requirements to ensure payments to subrecipients were adequately supported for the program.

During the audit period, the Office did not perform any fiscal monitoring of subrecipients. Adequate fiscal monitoring is especially important for this grant because the Office does not receive supporting documentation with reimbursement requests.

We consider this internal control deficiency to be a material weakness, which lead to material noncompliance.

### ***Cause of Condition***

#### ***Local Educational Agencies (LEAs)***

Based on the previous audit finding, the Office developed and began piloting a new fiscal monitoring process to increase its fiscal documentation reviews. However, the new process did not take place during the audit period due to the COVID-19 pandemic.

## *Educational Service Districts (ESDs)*

The Office's employees responsible for monitoring were unaware the ESDs were subrecipients and, therefore, did not include them in their monitoring process.

### ***Effect of Condition***

By failing to perform adequate fiscal monitoring, the Office cannot ensure reimbursement requests are accurate, allowable and adequately supported.

### ***Recommendation***

We recommend the Office:

- Continue with its plan to increase its fiscal monitoring of LEAs
- Comply with federal grant requirements by implementing procedures to monitor its ESD subrecipients

### ***Office's Response***

*The Office concurs with the finding.*

#### ***A. OSPI continues to implement its plan to increase fiscal monitoring of LEAs.***

*In response to the previous audit finding from SAO (2020-028), OSPI has implemented its monthly expenditure reporting process for its LEAs. Instruction provided to LEAs related to those reporting requirements is found within the grant application and Special Education Monthly Updates. Implementation of on-site and desk reviews are being accomplished during the 2021-22 school year. Review of documentation, site-visits, Zoom meetings all are in progress. Final reviews will be completed August 2022. Special Education fiscal monitoring for 2022-23 school year will be coordinated with our WISM team and implemented.*

#### ***B. OSPI is implementing procedures to monitor ESD subrecipients.***

*In response to the previous finding from SAO (OSPI 2021-003) OSPI is continuing to implement fiscal monitoring procedures to ensure payments to ESD subrecipients are adequately supported for the Special Education program. These procedures include revisions and additions to the form package submitted annually by ESD partners; documentation of time and effort, contracts, and meeting materials; end-of-year expenditure reports; and professional development and technical assistance on these new procedures. Additional details and timelines for the fiscal monitoring procedures are outlined in more detail in the table below:*

<b>Plan</b>	<b>Timeline</b>	<b>Responsible Staff</b>
<i>Revise and expand the form package submitted by Educational Service Districts (ESDs), including the required end of year reporting, to include the submission of documentation related to the activities identified in the Coordinated Services Agreement (CSA). Include factors for timely completion of form package activity due dates, timely submitting end-of-year reporting, and additional items listed below:</i>	<i>March-April 2022</i>	<i>Director of Operations, Special Education  Executive Director of Special Education  Program Improvement Coordinator, Special Education  Fiscal Program Supervisor, Special Education</i>
<i>a. Documentation submitted by ESD and reviewed by OSPI will include evidence that verifies the implementation of the approved CSA activities, such as time and effort certifications, copies of contracts, contract procurement procedures, professional development agendas, sign-in sheets, etc.</i>	<i>March-April 2022</i>	<i>Director of Operations, Special Education  Fiscal Program Supervisor, Special Education</i>
<i>b. ESDs will submit an end-of-year expenditure report. OSPI will review to verify that the expenditure report contains allowable expenditures and is in alignment with the ESD's approved CSA.</i>	<i>March-April 2022</i>	<i>Director of Operations, Special Education  Executive Director of Special Education  Fiscal Program Supervisor, Special Education</i>
<i>c. The CSA form package will be expanded to include a section to identify contractor name and service provided. OSPI will use this information to request a copy of selected contracts for OSPI review.</i>	<i>March-April 2022</i>	<i>Director of Operations, Special Education  Fiscal Program Supervisor, Special Education</i>
<i>d. Update fiscal/program monitoring guidance to reflect these changes.</i>	<i>March-April 2022</i>	<i>Director of Operations, Special Education  Fiscal Program Supervisor, Special Education</i>

<p><i>e. Provide professional development/training to ESDs on new process.</i></p>	<p><i>April-June 2022</i></p>	<p><i>Director of Operations, Special Education</i></p> <p><i>Executive Director of Special Education</i></p> <p><i>Fiscal Program Supervisor, Special Education</i></p>
<p><i>f. Implement revised process, including OSPI review of all submitted documentation for compliance.</i></p>	<p><i>2022-23 school year</i></p>	<p><i>Director of Operations, Special Education</i></p> <p><i>Executive Director of Special Education</i></p> <p><i>Program Improvement Coordinator, Special Education</i></p> <p><i>Fiscal Program Supervisor, Special Education</i></p>

***Auditor’s Remarks***

We thank the Office for its cooperation and assistance throughout the audit. We will review the status of the Office’s corrective action during our next audit.

***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) establishes the following applicable requirements:

Section 200.302 Financial management, states in part:

- (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also § 200.450 Lobbying.



- (b) The financial management system of each non-Federal entity must provide for the following (see also §§ 200.334, 200.335, 200.336 and 200.337):
- (1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the Assistance Listings title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.
  - (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 and 200.329. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.
  - (3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
  - (4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See § 200.303.
  - (5) Comparison of expenditures with budget amounts for each Federal award.
  - (6) Written procedures to implement the requirements of § 200.305.
  - (7) Written procedures for determining the allowability of costs in accordance with subpart E of this part and the terms and conditions of the Federal award.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated

Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.
- (e) Depending upon the pass-through entity’s assessment of risk posed by the subrecipient (as prescribed in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:
  - (1) Providing subrecipients with training and technical assistance on program-related matters; and
  - (2) Performing on-site reviews of the subrecipient’s program operations;

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose

of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-023 The Office of Superintendent of Public Instruction did not have adequate internal controls over requirements to perform risk assessments for subrecipients of the Special Education program.**

**CFDA Number and Title:** 84.027 Special Education Grants to States (IDEA, Part B)  
84.173 Special Education Preschool Grants (IDEA Preschool)

**Federal Grantor Name:** U.S. Department of Education

**Federal Award/Contract Number:** H027A190074 - 19A, H027A200074- 20A, H173A180074, H173A190074, H173A200074

**Pass-through Entity Name:** None

**Pass-through Award/Contract Number:** None

**Applicable Compliance Component:** Subrecipient Monitoring

**Questioned Cost Amount:** None

### ***Background***

The Individuals with Disabilities Education Act’s (IDEA) Special Education Grants to States program (IDEA, Part B) provides grants to states, and through them to local educational agencies (LEAs), to help provide special education and related services to eligible children with disabilities. IDEA’s Special Education Preschool Grants program (IDEA Preschool), also known as the “619 program,” provides grants to states, and through them to LEAs, to assist with providing special education and related services to children with disabilities ages 3 through 5 and, at a state’s discretion, to 2-year-old children with disabilities who will turn 3 during the school year.

The Office of Superintendent of Public Instruction (OSPI) administers the Special Education program (program) in Washington and serves about 143,000 eligible students. The program provides specially designed instruction that addresses the unique needs of a student. OSPI offers the program at no cost to parents, and it includes the related services students need to access their educational program. OSPI spent about \$234 million in federal IDEA grant funds during fiscal year 2021 and passed about \$230 million of that funding through to LEAs. OSPI also passes funding to educational service districts (ESDs) to help school districts save money by pooling resources, providing essential services for school districts and communities, and helping OSPI implement education initiatives. ESDs spent about three percent of total program funding.

Federal law requires OSPI to evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for the purposes of determining the appropriate amount and type of subrecipient monitoring.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

OSPI did not have adequate internal controls over requirements to perform risk assessments for subrecipients of the Special Education program. As a result, OSPI did not perform risk assessments of any ESDs that received program funding.

We consider this internal control deficiency to be a significant deficiency.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

OSPI did not consider the ESDs to be subrecipients. Therefore, OSPI has never evaluated each ESD's risk of noncompliance for the purposes of determining the appropriate amount of subrecipient monitoring.

### ***Effect of Condition***

Without performing risk assessments, management cannot ensure OSPI performs the appropriate amount of monitoring to ensure subrecipients comply with program requirements.

### ***Recommendation***

We recommend OSPI ensure it performs the required risk assessments, which would allow management to evaluate the results, monitor subrecipients appropriately, and demonstrate compliance with federal requirements.

### ***Office's Response***

*The Office concurs with the finding.*

*SAO has recommended OSPI ensure it performs the required risk assessment, which would allow management to evaluate the results, monitor subrecipients appropriately, and demonstrate compliance with federal requirements.*

OSPI's Response:

<b>Plan</b>	<b>Timeline</b>	<b>Responsible Staff</b>
<p>1. <i>Revise and expand the form package submitted by Educational Service Districts (ESDs), including the required end of year reporting, to include the submission of documentation related to the activities identified in the Coordinated Services Agreement (CSA). Include factors for timely completion of form package activity due dates, timely submitting end-of-year reporting, and additional items listed below:</i></p>	<p>March-April 2022</p>	<p><i>Director of Operations, Special Education</i></p> <p><i>Executive Director of Special Education</i></p> <p><i>Program Improvement Coordinator, Special Education</i></p> <p><i>Fiscal Program Supervisor, Special Education</i></p>
<p>a. <i>Documentation submitted by ESD and reviewed by OSPI will include evidence that verifies the implementation of the approved CSA activities, such as time and effort certifications, copies of contracts, contract procurement procedures, professional development agendas, sign-in sheets, etc.</i></p>	<p>March-April 2022</p>	<p><i>Director of Operations, Special Education</i></p> <p><i>Fiscal Program Supervisor, Special Education</i></p>
<p>b. <i>ESDs will submit an end-of-year expenditure report. OSPI will review to verify that the expenditure report contains allowable expenditures and is in alignment with the ESD's approved CSA.</i></p>	<p>March-April 2022</p>	<p><i>Director of Operations, Special Education</i></p> <p><i>Executive Director of Special Education</i></p> <p><i>Fiscal Program Supervisor, Special Education</i></p>
<p>c. <i>The CSA form package will be expanded to include a section to identify contractor name and service provided. OSPI will use this information to request a copy of selected contracts for OSPI review.</i></p>	<p>March-April 2022</p>	<p><i>Director of Operations, Special Education</i></p> <p><i>Fiscal Program Supervisor, Special Education</i></p>
<p>d. <i>Update fiscal/program monitoring guidance to reflect these changes.</i></p>	<p>March-April 2022</p>	<p><i>Director of Operations, Special Education</i></p> <p><i>Fiscal Program Supervisor, Special Education</i></p>

<p><i>e. Provide professional development/training to ESDs on new process.</i></p>	<p><i>April-June 2022</i></p>	<p><i>Director of Operations, Special Education</i></p> <p><i>Executive Director of Special Education</i></p> <p><i>Fiscal Program Supervisor, Special Education</i></p>
<p><i>f. Implement revised process, including OSPI review of all submitted documentation for compliance.</i></p>	<p><i>2022-23 school year</i></p>	<p><i>Director of Operations, Special Education</i></p> <p><i>Executive Director of Special Education</i></p> <p><i>Program Improvement Coordinator, Special Education</i></p> <p><i>Fiscal Program Supervisor, Special Education</i></p>

***Auditor’s Remarks***

We thank the Office for its cooperation and assistance throughout the audit. We will follow up on the status of the Office’s corrective action during our next audit.

***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:
  - (1) The subrecipient's prior experience with the same or similar subawards;
  - (2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of this part, and the extent to which the same or similar subaward has been audited as a major program;
  - (3) Whether the subrecipient has new personnel or new or substantially changed systems; and
  - (4) The extent and results of Federal awarding agency monitoring (if the subrecipient also receives Federal awards directly from a Federal awarding agency).
- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.
- (e) Depending upon the pass-through entity's assessment of risk posed by the subrecipient (as prescribed in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:
  - (1) Providing subrecipients with training and technical assistance on program-related matters; and
  - (2) Performing on-site reviews of the subrecipient's program operations;

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the



purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11 as follows:

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**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-024 Washington State University did not establish adequate internal controls over and did not comply with federal requirements to monitor its third-party servicer for compliance with Federal Perkins Loan Program recordkeeping and record retention requirements.**

<b>CFDA Number and Title:</b>	84.038 Federal Perkins Loan Program
<b>Federal Grantor Name:</b>	U.S. Department of Education
<b>Federal Award/Contract Number:</b>	Not applicable
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component</b>	Special Tests and Provisions: Perkins Loan Recordkeeping and Record Retention
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Federal Perkins Loan Program and Perkins Loan Extension Act of 2015 awarded loans to undergraduate and graduate students until the program was suspended nationwide on September 30, 2017. Institutions are required to continue servicing their Perkins Loan portfolio (or continue contracting with a third-party servicer) and comply with various repayment, administrative and reporting requirements until they have completed their loan liquidation process and closed out their Perkins Loan program.

Institutions must retain original or true and exact copies of promissory and master promissory notes (MPN), repayment records, and cancellation and deferment requests for each Perkins Loan made. They also must retain disbursement records, electronic authentication records and signature authorizations for loans made with a MPN.

When an institution uses a third-party servicer for its Perkins Loan program, the institution must perform due diligence monitoring to ensure that its third-party servicer is complying with the requirements for the functions it is performing for the school. The U.S. Department of Education recommends that such monitoring could include obtaining and reviewing the third-party servicer's most recent Title IV compliance audit.

In fiscal year 2021, Washington State University (University) reported approximately \$12.7 million in its outstanding Perkins Loan portfolio.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The University did not establish adequate internal controls over and did not comply with federal requirements to monitor its third-party servicer for compliance with Perkins Loan recordkeeping and record retention requirements.

The University entered into a contract with its third-party servicer in January 2011 to provide loan processing services and perform, in part, the following functions:

- Retain and maintain electronic records, such as loan profile and payment history, borrower information, and other pertinent loan records
- Perform all due diligence procedures, including timely mailing of grace notices, regular past-due bills, and final demand notices
- Maintain electronically signed MPNs
- Provide borrower outreach and education on repayment, delinquency and default, and required borrower disclosures

We found the University did not perform due diligence monitoring of its third-party servicer during the audit period to ensure it complied with Federal Perkins Loans Program requirements.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

Management was aware of the University's responsibility of monitoring its third-party servicer for the Perkins Loan program requirements. However, the University did not perform monitoring during the audit period because it experienced turnover in the position responsible for this process.

Additionally, management directed staff to assist with a University-wide software system conversion and did not ensure it performed a review of the third-party servicer's compliance with program requirements as required.

## ***Effect of Condition***

By not monitoring the third-party servicer, the University could not ensure the servicer complied with Title IV requirements to maintain appropriate Perkins Loans records as set forth in federal regulations.

Additionally, the University may be subject to sanctions from the federal grantor and be liable for repayment of any improperly spent program funds that the third-party servicer administered.

## ***Recommendations***

We recommend the University:

- Establish adequate internal controls to ensure it performs due diligence monitoring of the functions its third-party servicer performs for the Perkins Loan program in accordance with federal requirements
- Ensure staff have the necessary resources to perform due diligence monitoring of the third-party servicer for compliance, as federal regulations require

## ***University's Response***

*The University agrees with the Condition and the State Auditor's Office recommendations. As noted, during the audit period, the University experienced turnover in key positions responsible for this oversight. At the same time, and with new employees in place, there was a significant effort to prepare for and implement transition to a new personnel/finance system and a new point of sale system.*

*While these extenuating circumstances impacted implementation of monitoring controls during the audit period, the University commits to ensuring that oversight is performed in the current period and going forward.*

*To this end, the University has established the following procedures for performing the required due diligence in regards to monitoring ECSI, our third-party services provider:*

- *In August/September the University will request the compliance audit report (SOC) from ECSI for review of compliance with Perkins loan recordkeeping and record retention requirements.*
- *The University will review that ECSI is in compliance with regulatory requirements and sign and date said report on the date the review occurs.*
- *For 2021 the report has been requested and reviewed.*
- *This will be handled by the Bursars Collection manager on a go forward basis with back up to be done by the Bursar.*

## *Auditor's Remarks*

We thank the University for its cooperation and assistance throughout the audit. We will review the status of the University's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of

Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that

results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Title 34 *U.S. Code of Federal Regulations* (CFR) Part 674, *Fiscal procedures and records* establishes the following applicable requirements:

Section 674.19 Retention of Records, states in part:

(e) Retention of Records

(1) *Records*. An institution shall follow the record retention and examination provisions in this part and in 34 CFR 668.24.

(2) *Loan records*.

(i) An institution shall retain a record of disbursements for each loan made to a borrower on a Master Promissory Note (MPN). This record must show the date and amount of each disbursement.

(ii) For any loan signed electronically, an institution must maintain an affidavit or certification regarding the creation and maintenance of the institution's electronic MPN or promissory note, including the institution's authentication and signature process in accordance with the requirements of [§ 674.50\(c\)\(12\)](#).

(iii) An institution shall maintain a repayment history for each borrower. This repayment history must show the date and amount of each repayment over the life of the loan. It must also indicate the amount of each repayment credited to principal, interest, collection costs, and either penalty or late charges.

(3) *Period of retention of disbursement records, electronic authentication and signature records, and repayment records*.

(i) An institution shall retain disbursement and electronic authentication and signature records for each loan made using an MPN for at least three years from the date the loan is canceled, repaid, or otherwise satisfied.

(ii) An institution shall retain repayment records, including cancellation and deferment requests for at least three years from the date on which a loan is assigned to the Secretary, canceled or repaid.

(4) *Manner of retention of promissory notes and repayment schedules*. An institution shall keep the original promissory notes and repayment schedules

until the loans are satisfied. If required to release original documents in order to enforce the loan, the institution must retain certified true copies of those documents.

- (i) An institution shall keep the original paper promissory note or original paper MPN and repayment schedules in a locked, fireproof container.
- (ii) If a promissory note was signed electronically, the institution must store it electronically and the promissory note must be retrievable in a coherent format. An original electronically signed MPN must be retained by the institution for 3 years after all the loans made on the MPN are satisfied.
- (iii) After the loan obligation is satisfied, the institution shall return the original or a true and exact copy of the note marked “paid in full” to the borrower, or otherwise notify the borrower in writing that the loan is paid in full, and retain a copy for the prescribed period.
- (iv) An institution shall maintain separately its records pertaining to cancellations of Defense, NDSL, and Federal Perkins Loans.
- (v) Only authorized personnel may have access to the loan documents.



# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-025 The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to ensure it monitored Education Stabilization Fund program subrecipients and that payments to them were allowable and adequately supported.**

<b>CFDA Number and Title:</b>	84.425D COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund 84.425R COVID-19 Coronavirus Response and Relief Supplemental Appropriations Act, 2021 – Emergency Assistance to Non-Public Schools (CRRSA EANS) 84.425U COVID-19 American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER)
<b>Federal Grantor Name:</b>	U.S. Department of Education
<b>Federal Award/Contract Number:</b>	S425D200015; S425D210015
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

### *Background*

The U.S. Department of Education distributed funding to multiple federal subprograms of the Education Stabilization Fund (ESF) program. In March 2020, Congress set aside the Elementary and Secondary School Emergency Relief (ESSER) Fund to address the effect that COVID-19 has had, and continues to have, on elementary and secondary schools across the nation. ESSER funds awarded to State Educational Agencies (SEAs) are awarded in the same proportion as each state received funds under Part A of the Title I program in fiscal year 2019. An additional award known as ESSER II was issued in December of 2020 to provide additional funding to schools in the same proportion as Title I, Part A for fiscal year 2020. Additionally, the Emergency Assistance to Non-Public Schools (EANS) program awarded grants by formula to each state governor with an

approved Certification and Agreement to provide services or assistance to eligible non-public schools to address the effect that COVID-19 has had, and continues to have, on non-public school students and teachers statewide.

The Office of Superintendent of Public Instruction (Office) serves as a pass-through agency to Local Education Agencies (LEAs) for ESF funding. As a pass-through agency, the Office accepts grant applications from LEAs for a variety of federal programs. It reviews and approves the applications that outline proposed projects and services, and LEAs provide budget categories for carrying out these projects. The Office reimburses LEAs through its Grants Claim System (iGrants). The Office approves reimbursement requests as long as grant funds are available in the budgeted categories and are still available for the LEA to use. LEAs are not required to submit any additional supporting documentation with these reimbursement requests.

Pass-through entities are required to monitor the activities of subrecipients in order to ensure they are properly using the funds. To ensure federal funds are used only for allowable purposes, meet cost principles and grant requirements, the Office performs annual onsite monitoring of LEAs through its Consolidated Program Review (CPR) process. The CPR includes a review of a selection of reimbursement requests the LEAs submitted during the previous school year.

In fiscal year 2021, the Office awarded about \$936 million in new ESF subawards to approximately 308 LEAs. The federal grantor has designated the ESF program as a program of higher risk.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Office did not have adequate internal controls over and did not comply with requirements to ensure it monitored ESF program subrecipients and that payments to them were allowable and adequately supported.

When conducting fiscal monitoring of LEAs through its CPR process, the Office excluded the ESF payments it made during the audit period. Since the Office does not receive supporting documentation with the reimbursement requests that LEAs submit, it did not perform any fiscal monitoring of ESF funds during the audit period.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

## ***Cause of Condition***

The CPR process occurs annually in July and August. The Office issued the ESF funds to LEAs beginning in July 2020 (ESSER I) and March 2021 (ESSER II). The Office's CPR process uses prior year payment information, and management did not design monitoring procedures to address first-year grant awards, such as the ESF grants. Management decided not to review ESF reimbursements during the 2020-21 school year because LEAs had only just started to receive their subawards when the Office was planning the CPR visits. Therefore, management chose to wait until the 2021-22 school year to review ESF reimbursements as part of the CPR.

## ***Effect of Condition***

Without performing fiscal monitoring of its subrecipients of the ESF program, which the federal government has designated as a program of higher risk, the Office cannot reasonably ensure that LEAs are using federal funds only for allowable purposes in accordance with the terms and conditions of the subaward. Additionally, the Office cannot ensure that its reimbursements to LEAs were allowable and supported by adequate documentation.

## ***Recommendations***

We recommend the Office:

- Ensure it performs fiscal monitoring of subrecipients to determine that they are complying with the terms and conditions of the subaward
- Implement additional monitoring procedures for first-year grant awards to ensure the reimbursements it makes to subrecipients are allowable and supported by adequate documentation
- Consider reviewing the reimbursements it made during this audit period to determine if subrecipients used program funds only for allowable activities and in accordance with the terms and conditions of the subaward

## ***Office's Response***

*OSPI included the ESSER programs in its fiscal subrecipient monitoring during the current cycle, performed in the 2021-2022 school year, which included a review of 2019-20 and 2020-21 school year expenditures for these programs. The ESSER programs will also be included in future fiscal subrecipient monitoring through the end of the respective grant periods. We will also ensure that any new federal awards are included in future fiscal subrecipient monitoring.*

## *Auditor's Remarks*

We thank the Office for its cooperation and assistance throughout the audit. We will review the status of the Office's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) establishes the following applicable requirements:

Section 200.302 Financial management, states in part:

- (a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also § 200.450 Lobbying.
- (b) The financial management system of each non-Federal entity must provide for the following (see also §§ 200.334, 200.335, 200.336 and 200.337):
  - (4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See § 200.303.
  - (5) Comparison of expenditures with budget amounts for each Federal award.
  - (7) Written procedures for determining the allowability of costs in accordance with subpart E of this part and the terms and conditions of the Federal award.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated

Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.
- (e) Depending upon the pass-through entity’s assessment of risk posed by the subrecipient (as prescribed in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:
  - (1) Providing subrecipients with training and technical assistance on program-related matters; and
  - (2) Performing on-site reviews of the subrecipient’s program operations;

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose

of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-026 The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Education Stabilization Fund programs.**

<b>CFDA Number and Title:</b>	84.425D COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund 84.425R COVID-19 Coronavirus Response and Relief Supplemental Appropriations Act, 2021 – Emergency Assistance to Non-Public Schools (CRRSA EANS) 84.425U COVID-19 American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER)
<b>Federal Grantor Name:</b>	U.S. Department of Education
<b>Federal Award/Contract Number:</b>	S425D200015; S425D210015
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

### *Background*

The U.S. Department of Education distributed funding to multiple federal subprograms of the Education Stabilization Fund (ESF) program. In March 2020, Congress set aside the Elementary and Secondary School Emergency Relief (ESSER) Fund to address the effect that COVID-19 has had, and continues to have, on elementary and secondary schools across the nation. ESSER funds awarded to State Educational Agencies (SEAs) are awarded in the same proportion as each state received funds under Part A of the Title I program in fiscal year 2019. An additional award known as ESSER II was issued in December of 2020 to provide additional funding to schools in the same proportion as Title I, Part A for fiscal year 2020. Additionally, the Emergency Assistance to Non-Public Schools (EANS) program awarded grants by formula to each state governor with an approved Certification and Agreement to provide services or assistance to eligible non-public schools to address the effect that COVID-19 has had, and continues to have, on non-public school students and teachers statewide.

The Office of Superintendent of Public Instruction (Office) serves as a pass-through agency to Local Education Agencies (LEAs) for ESF funding. Pass-through entities are required to monitor the activities of subrecipients in order to ensure they are properly using the funds. To determine the appropriate level of monitoring, federal regulations require the Office to evaluate each subrecipient's risk of noncompliance with federal statutes and regulations and the terms and conditions of the subaward.

In fiscal year 2021, the Office awarded about \$936 million in new ESF subawards to approximately 308 LEAs. The federal grantor has designated the ESF program as a program of higher risk.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Office did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the ESF programs. Specifically, the Office did not perform risk assessments of LEAs for any ESF funds awarded during the fiscal year.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance. This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

The Office issued ESF subawards beginning in July 2020. In August 2020, Office management performed centralized risk assessments for other federal programs awarded to LEAs during the audit period. However, Office management chose to wait to perform risk assessments and conduct fiscal monitoring of ESF funds until the 2021-22 school year, which was after the LEAs spent the funds they were awarded during this audit period.

### ***Effect of Condition***

Without performing risk assessments of its subrecipients for the ESF program, which the federal government has designated a program of higher risk, the Office cannot determine the appropriate amount of monitoring required for each subrecipient. It also makes the Office less likely to detect noncompliance with grant terms and conditions and federal regulations.



## ***Recommendations***

We recommend the Office:

- Establish internal controls to ensure it performs risk assessments for each subaward it issues
- Document the results of each completed risk assessment so management can evaluate them and demonstrate compliance with federal requirements
- Modify its risk assessment process to incorporate new federal awards to determine the appropriate level of monitoring for each subrecipient more timely

## ***Office's Response***

*When the risk assessment for the year in question was developed, OSPI was not aware this federal award was required in the risk assessment. When we found out, we did include this federal award in the risk assessment and the result was not a material issue. From the point of this finding OSPI will:*

- *Establish internal controls to ensure it performs risk assessments for each subaward it issues*
  - *As noted, and stated above, the risk assessment has been updated to include the funds in question.*
- *Document the results of each completed risk assessment so management can evaluate them and demonstrate compliance with federal requirements*
- *As noted, and stated above, this item will be evaluated when determining for federal compliance.*
- *Modify its risk assessment process to incorporate new federal awards to determine the appropriate level of monitoring for each subrecipient more timely*
  - *As noted, and stated above, the risk assessment will incorporate new and high risk federal awards the year that they are awarded to determine the appropriate level of monitoring.*

## ***Auditor's Remarks***

We thank the Office for its cooperation and assistance throughout the audit. We will review the status of the Office's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.332 Requirements for pass-through entities, states in part:

All pass-through entities must:

- (b) Evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:
  - (1) The subrecipient’s prior experience with the same or similar subawards;
  - (2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of this part, and the extent to which the same or similar subaward has been audited as a major program;
  - (3) Whether the subrecipient has new personnel or new or substantially changed systems; and
  - (4) The extent and results of Federal awarding agency monitoring (if the subrecipient also receives Federal awards directly from a Federal awarding agency).

- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.
- (e) Depending upon the pass-through entity's assessment of risk posed by the subrecipient (as prescribed in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:
  - (1) Providing subrecipients with training and technical assistance on program-related matters; and
  - (2) Performing on-site reviews of the subrecipient's program operations;

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not

allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Office of Management and Budget’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards: *2 CFR 200 – Frequently Asked Questions*, states in part:

.331-10 Requirements for Pass-Through Entities. Timing of Subrecipient Risk Assessments

Section 200.331(b) indicates that pass-through entities must “evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring...” Are pass-through entities required

to assess the risk of non-compliance for each applicant prior to issuing a subaward?

No. While section 200.331(b) requires risk assessments of subrecipients, there is no requirement for pass-through entities to perform these assessments before making subawards. Under the Uniform Guidance, the purpose of these risk assessments is for pass-through entities to determine appropriate subrecipient monitoring. Pass-through entities may use judgment regarding the most appropriate timing for the assessments. Regardless of the timing chosen, the pass-through entity should document its procedures for assessing risk. Section 200.331(b)(1) – (4) includes factors that a pass-through entity may consider when assessing subrecipient risk.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-027 The Department of Social and Health Services did not have adequate internal controls over Random Moment Time Samples and did not comply with some Public Assistance Cost Allocation Plan requirements.**

<b>CFDA Number and Title:</b>	93.558 Temporary Assistance for Needy Families (TANF)
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services, Administration for Children & Families
<b>Federal Award Number:</b>	2001WATANF; 2101WATANF
<b>Pass-through Entity:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed/Unallowed Allowable Costs/Cost Principles
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Department of Social and Health Services (Department) uses the Random Moment Time Sample (RMTS) as a method for allocating payroll costs for its field operations to state and federally funded programs.

Department staff generally work on multiple programs throughout a workday, which makes keeping timesheets difficult and time consuming. RMTS simplifies how the Department allocates salaries and wages to state and federal programs. RMTS is a sampling tool that the Department uses to generate statistically valid statewide estimates of the various activities employees perform. The Department also uses a system called Barcode that allows staff to work on client cases, document information, generate samples and compile RMTS results.

The Department includes its use of RMTS in its Public Cost Allocation Plan (PACAP) with the federal grantor. The PACAP is approved annually and outlines the general operating policies and procedures RMTS staff must follow.

For RMTS to properly calculate the percentages of activities that Department employees perform, it first must identify a sampling universe that is accurate and complete. The sampling universe must include eligible worker types, and it is updated monthly to ensure it includes all RMTS-eligible employees. RMTS coordinators are responsible for updating the list of employees by the

19th day of each month. Sampled employees are responsible for accurately completing the RMTS samples within two hours of receiving them. RMTS coordinators must complete samples in accordance with the PACAP on behalf of employees who are unavailable to complete them. At the end of the month, the samples are compiled and results are entered into the cost allocation system.

During fiscal year 2021, the Department used RMTS to allocate about \$77 million in payroll costs to the Temporary Assistance for Needy Families program.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Department did not have adequate internal controls over RMTS and did not comply with some PACAP requirements. The prior finding numbers were 2020-006 and 2019-008.

### *Description of Condition*

The Department lacked adequate internal controls over RMTS, and it did not comply with some PACAP requirements.

In response to the prior audit finding, the Department developed a corrective action plan to address the internal control deficiencies our Office identified. However, the Department had not fully implemented the action plan during the current audit period. During this audit, we identified the following:

#### *Monthly employee updates*

We examined all 12 of the monthly reconciliations the Operation Analyst created and forwarded to the RMTS coordinators to update eligible staff in Barcode. We identified 18 RMTS-eligible employees that were not included in the sampling universe. We also identified nine RMTS-ineligible employees who were included in the sampling universe but should have been removed. All exceptions identified occurred before the full implementation of the corrective action plan.

#### *RMTS coordinators completing samples on behalf of sampled employees*

The PACAP requires RMTS coordinators to respond on behalf of sampled employees who are not on the job at the sample time or unable to respond within two hours. If a sampled employee is on the job and unable to respond within two hours, an RMTS coordinator is required to review systems to determine the employee's activity during the sample time and complete the sample moment with the appropriate information.

We used a statistically valid sampling method to randomly select and examine 58 of the 3,661 RMTS samples that RMTS coordinators completed on behalf of sampled employees who could not respond. We found one instance where the RMTS coordinator completed the employee's sample without supporting evidence. The PACAP does not allow staff to complete samples without providing supporting evidence.

We consider these internal control deficiencies to be a significant deficiency.

### ***Cause of Condition***

#### *Monthly employee updates*

The Department had not fully completed its corrective action plan for the prior audit finding during the current audit period.

#### *RMTS coordinators completing samples on behalf of sampled employees*

An RMTS coordinator made a mistake by not including supporting evidence for the activities the sampled employee performed.

### ***Effect of Condition***

The Department's inadequate internal controls affected the integrity of its RMTS sampling universe, and it led to the Department using incorrect percentages for federal reimbursement. An incorrect sample could cause the costs that the Department charges to federally funded programs for its field operations to be considered unallowable under the PACAP.

When RMTS coordinators complete RMTS samples without supporting documentation, costs for employees' salaries and benefits will be incorrectly allocated to state and federal programs.

### ***Recommendations***

We recommend the Department:

- Implement adequate internal controls to ensure RMTS coordinators properly update the staff list in Barcode
- Monitor to ensure that changes RMTS coordinators make to RMTS samples are adequately supported



## ***Department's Response***

*The Department partially concurs with the audit finding.*

*As part of our corrective action plans for the SFY 2019 audit finding (2019-008) and the SFY 2020 audit finding (2020-006), the Department:*

- Implemented a process in January 2021 to ensure monthly staff reconciliations are performed when key personnel are out of the office. The Department also developed standard guidelines and procedures for updating the eligible staff list in Barcode.*
- Reviewed the Public Assistance Cost Allocation Plan with the RMTS auditors in January 2021 to ensure they are aware of when it is appropriate to modify an RMTS sample during an audit.*
- Implemented a process in February 2021 to conduct a monthly review on a subset of the staff on the reconciliation report to ensure the RMTS coordinators are properly updating the eligible staff list in Barcode.*
- Updated current guidance in February 2021 to provide additional examples to staff on types of activities that are appropriate for each selection.*
- Completed a one-time review of a subset of RMTS samples in June 2021 to conduct root cause analysis and determine whether additional training, procedure changes or system changes are needed.*

*We concur with the exceptions identified by the auditor. However, we implemented all necessary corrective actions to resolve the control issues by February 2021, which was five months before the end of the SFY 2021 audit period. The exceptions identified by the auditor occurred before February 2021.*

*Due to the timing and frequency of the audits, we acknowledged in our prior audit responses that we would likely see the same findings for the SFY 2020 State of Washington Single Audit and the SFY 2021 State of Washington Single Audit. This is because the state fiscal year spans the period of July 1 through June 30, and the audit process is conducted from August through February (which spans halfway through the next SFY). Therefore, the Department is not made aware of a finding until six months after the SFY is over and only has six months to correct the issue before the next audit begins (which is not always feasible). This means the auditor's findings from the previous year will still be an exception during at least the first six months of their current audit period. This results in the Department receiving repeat findings for two or three years in a row.*

## *Auditor's Remarks*

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.430 Compensation-personal services, states in part:

(5) For states, local governments and Indian tribes, substitute processes or systems for allocating salaries and wages to Federal awards may be used in place of or in addition to the records described in paragraph (1) if approved by the cognizant agency for indirect cost. Such systems may include, but are not limited to, random moment sampling, "rolling" time studies, case counts, or other quantifiable measures of work performed.

- (i) Substitute systems which use sampling methods (primarily for Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:

(A) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in paragraph (i)(5)(iii) of this section;

(B) The entire time period involved must be covered by the sample; and

(C) The results must be statistically valid and applied to the period being sampled.

(ii) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.

(iii) Less than full compliance with the statistical sampling standards noted in subsection (5)(i) may be accepted by the cognizant agency for indirect costs if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the non-Federal entity will result in lower costs to Federal awards than a system which complies with the standards.

(6) Cognizant agencies for indirect costs are encouraged to approve alternative proposals based on outcomes and milestones for program performance where these are clearly documented. Where approved by the Federal cognizant agency for indirect costs, these plans are acceptable as an alternative to the requirements of paragraph (i) (1) of this section.

(7) For Federal awards of similar purpose activity or instances of approved blended funding, a non-Federal entity may submit performance plans that incorporate funds from multiple Federal awards and account for their combined use based on performance-oriented metrics, provided that such plans are approved in advance by all involved Federal awarding agencies. In these instances, the non-Federal entity must submit a request for waiver of the requirements based on documentation that describes the method of charging costs, relates the charging of costs to the specific activity that is applicable to all fund sources, and is based on quantifiable measures of the activity in relation to time charged.

(8) For a non-Federal entity where the records do not meet the standards described in this section, the Federal Government may require personnel activity reports, including prescribed certifications, or equivalent documentation that support the records as required in this section.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (4) Known questioned costs that are greater than \$25,000 for a Federal program which is not audited as a major program. Except for audit follow-up, the auditor is not required under this part to perform audit procedures for such a Federal program; therefore, the auditor will normally not find questioned costs for a program that is not audited as a major program. However, if the auditor does become aware of questioned costs for a Federal program that is not audited as a major program (e.g., as part of audit follow-up or other audit procedures) and the known questioned costs are greater than \$25,000, then the auditor must report this as an audit finding.
  - (5) The circumstances concerning why the auditor's report on compliance for each major program is other than an unmodified opinion, unless such circumstances are otherwise reported audit findings in the schedule of findings and questioned costs for Federal awards.
  - (6) Known or likely fraud affecting a Federal program award, unless such fraud is otherwise reported as an audit finding in the schedule of findings and questioned costs for Federal awards. This paragraph does not require the auditor to report publicly information which could compromise investigative or legal proceedings or to make an additional reporting when the auditor confirms that the fraud was reported outside the auditor's report under the direct reporting requirements of GAGAS.
  - (7) Instances where the results of audit follow-up procedures disclosed that the summary schedule of prior audit findings prepared by the auditee in accordance with §200.511. Audit findings follow-up, paragraph (b) materially misrepresents the status of any prior audit findings.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

DSHS RMTS Program Instructions, Pg. 39-46, states in part:

#### *Reports and Analysis*

The Barcode RMTS database compiles the electronic results information and produces a monthly results summary report. The results from the most recent three months are combined to produce a statistically valid percentage of participation for each program. This information is transmitted to the Office of Accounting Services (OAS) who enters the information into the automated Cost Allocation System.

### *Local RMTS Coordinators*

By the 19<sup>th</sup> of each month, the RMTS coordinators must review and update the Barcode list of employees to be sampled to ensure all eligible workers are included for the RMTS sampling. All employees added between the 19<sup>th</sup> and the date the moments are generated, will be included in the sample pool. Necessary changes to the list of workers must be completed before the samples for that month can be generated.

RMTS coordinators are responsible for ensuring the sampled moments are completed. If a sample worker is not on the job or does not respond, the RMTS Coordinator is responsible for responding on behalf of the sampled workers who are not on the job at the sample time or is unable to respond to the sample moment after 2 hours. If the sampled worker was on the job and unable to respond after 2 hours, the Coordinator will review systems to determine worker's activity during the sample time and complete the sample moment with the appropriate information.

### *RMTS Auditors*

Of the 1500 random samples moments generated each month, 150 (10%) sample moments are pre-selected for audits when completed.

The auditor will log into Barcode and locate the audit from the RMTS- sample list to review the sample results and compare with other resources or systems to determine the accuracy of the sample. Any corrections made by the auditor is included as a final sample response. The auditor must complete the audit of the sample, and make any necessary edits, within 2 business days from the sample completion date.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-028**    **The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers paid with Temporary Assistance for Needy Families funds were allowable and properly supported.**

<b>CFDA Number and Title:</b>	93.558 Temporary Assistance for Needy Families
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2001WATANF; 2101WATANF
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs / Cost Principles
<b>Known Questioned Cost Amount:</b>	\$119,917,902

### *Background*

The Department of Social and Health Services (DSHS), Community Services Office, administers the Temporary Assistance for Needy Families (TANF) grant that provides temporary cash assistance for families in need. To receive TANF benefits, participants must be engaged in activities listed in the Individual Responsibility Plan (IRP) through the WorkFirst program, unless the TANF benefits are received only on behalf of a child. TANF grant funds are also used to pay clients' child care costs to meet one of the program's primary purposes of helping clients obtain employment.

Washington has established the Working Connections Child Care (WCCC) program to help eligible working families pay for child care. Both the Department of Children, Youth, and Families (Department) and DSHS administer the program. The Department is responsible for establishing policies and procedures for licensing child care providers and paying providers for allowable child care services. DSHS determines TANF client eligibility and reimburses the Department for child care payments under an agreement with the Department.

The Department uses its Social Service Payment System (SSPS) to process the payments it makes to child care providers. The system allocates payments to various funding sources, partially based on the eligibility of the client. These funding sources include multiple federal programs, multiple Child Care Development Fund (CCDF) federal grant awards, and state funding. The Department uploads the payment data into the state's accounting system at a summary level based on the various funding sources.

DSHS worked with the Department to setup coding in the Payment Allocating Model (PAM) system that looks at the client-level information and then assigns the correct TANF source of funds. Once source of funds is identified, that information is then sent to the SSPS for allocation assignment. The Department prepares electronic reports for funds allocated to TANF funding sources and sends DSHS a monthly bill.

There is always a need to transfer the funding sources for some payments throughout the year to manage federal and state funds properly. In prior audit periods, the Department prepared supporting documentation for transfers that included details of what payments it was transferring. The purpose of documenting this detail was to maintain proper support for federal expenditures.

Some payments the Department makes for child care are funded by both the CCDF and TANF grants. While the two federal programs are separate, the requirements and policies in Washington for child care payments are consolidated under the WCCC program. Federal regulations require grant fund expenditures to be adequately supported to show that they have been used in accordance with program requirements.

In fiscal year 2021, DSHS paid the Department \$119,917,902 of TANF funds for child care services that were funded at least partially with federal TANF grant funds.

Federal regulations require recipients to establish and follow internal controls that ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers paid with TANF funds were allowable and properly supported.

In order to identify payments the Department made to child care providers that were funded by TANF, we requested a population of payments charged to TANF sources from SSPS. However, for fiscal year 2021, management informed us the Department recently changed its grant management practices to process expenditure transfers at the grant level. This new process made the original expenditure coding in SSPS inaccurate and unreliable for testing.



As a result, we could not trace the federal funds to a level of expenditure adequate to establish whether the Department spent TANF funds in accordance with federal and state regulations. As a result, we could not test the Department's payments to child care providers for compliance with activities allowed and cost principles.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

The Department is required to maintain sufficient documentation for each payment it makes with federal dollars. Management decided to modify the Department's accounting practices in a way that now prevents it from meeting this requirement.

The Department implemented what management referred to as fund-level accounting. This consisted of making significant accounting adjustments between funding sources in its general ledger without identifying the underlying transactions from SSPS that supported the adjustments. This affected all populations of child care expenditures for every month of the fiscal year.

By processing these adjustments at the fund level, the Department invalidated the transaction-level documentation of the original child care expenditure in SSPS and did not identify the new allocation at the payment level. Additionally, the Department transferred some of these child care expenditures more than once at the fund level, making the underlying data increasingly unreliable with each transfer.

DSHS paid TANF funds to the Department based on the understanding that it had implemented and followed the agreed upon PAM process and that payments were traceable to the expenditure level. Therefore, DSHS relied on the Department's accounting system and internal controls to support the reports it received when the Department requested reimbursement of TANF funds.

### ***Effect of Condition and Questioned Costs***

By not complying with federal law regarding maintaining adequate supporting documentation for expenditures, the Department created a condition that made it impossible for our Office to audit the federal dollars it used for payments to child care providers. Because we could not test transaction-level detail, we also could not determine whether the issues we identified in prior audits had improved or worsened, including the Department's lack of adequate internal controls and significant rate of noncompliance for payments to child care providers.

The total amount of known child care payments with federal TANF funds in the audit period was \$119,917,902. Because the Department did not comply with federal requirements to allow for the tracing of grant expenditures to a payment level, we are questioning all \$119,917,902 in federal program costs the Department incurred during the audit period.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Department:

- Design and implement internal controls to ensure transaction-level data is sufficient to comply with federal law and state rules
- Update service level agreements with DSHS to ensure payments are sufficient and properly supported
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

### ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges, and supports the State Auditor's Office's (SAO) mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develops strategies to make government more efficient and effective.*

*The Department has managed the WCCC program since 2019, prior to that it was managed by the Department of Social and Health Services and the Department of Early Learning. The Department implemented grant-level management of all federal funds, including the TANF and CCDF grants. The Department allocated the TANF and CCDF grants to eligible clients and allowable activities in compliance with 45 CFR 98.67. This consisted of making significant grant level adjustments between allowable grant sources to properly spend grant dollars within the allowable period of performance and ensure level of effort and matching requirements. The volume increased this year in comparison to previous years due to the Department's implementation of changes to the SSPS system which were not in place until March 2021 resulting in adjustments to July through February data. The Department's grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child level data as suggested in 2 CFR 200.302.*

*The Department will work to improve our internal controls. The Department does not currently have the staff to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance as identified by SAO. The Department will review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations.*

*In addition, the Department will work with the Department of Social and Health Services (DSHS) to amend the current Service Level Agreement between DSHS and the Department related to TANF funding for WCCC provider payments to ensure the Department follows the agreed upon PAM process and that payments are traceable to the expenditure level.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued

by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

#### Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

#### Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are

unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-029** The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to reduce or deny assistance to recipients of the Temporary Assistance for Needy Families grant who did not cooperate with the child support program.

<b>CFDA Number and Title:</b>	93.558 Temporary Assistance For Needy Families
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2001WATANF; 2101WATANF
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Special Tests and Provisions: Child Support Noncooperation
<b>Known Questioned Cost Amount:</b>	\$142

### *Background*

The Department of Social and Health Services (Department) administers the Temporary Assistance for Needy Families (TANF) grant that provides temporary cash assistance for families in need. To receive TANF benefits, participants must be engaged in entering the workforce through the Work First program, with limited exceptions. State agencies must meet or exceed minimum annual work participation rates of 50 percent overall and 90 percent for two-parent families. The Department spent more than \$309 million in federal grant funds during fiscal year 2021.

Federal regulations require the state agency responsible for administering the state plan under Title IV-D of the Social Security Act to determine when an individual is not cooperating with the state in establishing paternity, or in establishing, modifying or enforcing a support order with respect to a child of the individual. When it identifies non-cooperation, it is to report that information to the state agency responsible for the TANF program. The TANF program must then deduct an amount equal to not less than 25 percent from the individual's TANF assistance and may deny the family any TANF assistance. In Washington, the Department performs both functions and therefore there is no second agency involved in this requirement.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with federal requirements to reduce or deny TANF assistance when recipients did not cooperate with the child support program.

During fiscal year 2021, the Department referred 12 cases of child support noncooperation for further sanctions. However, we found one instance (8 percent) where the Department did not properly reduce the TANF assistance. In this one case, management did not detect a data input error by staff, and therefore, the Department did not properly reduce TANF assistance.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

The staff member who made the data input error was in training at the time they made the error. Management did not detect the error because it has not implemented sufficient internal controls.

### ***Effect of Condition and Questioned Costs***

By not implementing adequate internal controls, the Department did not materially comply with federal requirements. Additionally, the one instance where the Department did not reduce the TANF assistance resulted in an overpayment of \$142.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Department:

- Improve its internal controls to ensure it reduces or denies TANF assistance when recipients are not cooperating with the child support program
- Consult with the federal grantor about whether or not the questioned costs identified should be repaid

### ***Department's Response***



*The Department partially concurs with this audit finding.*

*The Department does not concur with the State Auditor's Office (SAO) determination that a total population of 12 cases has a direct and material effect on the program. Our concern is around the SAO's objectivity.*

*In response to the pandemic, the IV-D program implemented a Policy Clarification Memo changing the process on how the IV-D program determines non-cooperation. This policy change reduced the number of non-cooperation cases the IV-D program sent to the IV-A program during the fiscal year.*

*The Department believes the SAO had a preconception about the program's objectives. When SAO learned the IV-A program had received a significantly lower number of non-cooperation cases from the IV-D program than previous years, they crept outside the scope of the audit requesting the IV-D program's policies and procedures around determining non-cooperation, as well as verification that the Federal Office of Child Support Enforcement had approved the IV-D program's policy change for determining non-cooperation. When the Department questioned this scope creep, SAO did reach out to the federal grantor for clarification and was able to determine that they did not need confirmation that the IV-D program's policy was properly authorized.*

*Regarding the scope creep, the SAO stated they "do not view the two divisions within DSHS to be separate agencies as defined in the compliance supplement and therefore approach our testing with the understanding that DSHS is both the Title IV-D agency and the TANF (IV-A) agency." While the Department manages both the IV-A and IV-D programs, these are still separate entities with different objectives and compliance requirements. The audit objective is to determine whether, after notification by the state Title IV-D agency, the TANF agency has taken necessary action to reduce assistance. The specific compliance requirement is outlined in 45 CFR 264.30(b) and (c) states:*

*(b) If the IV-D agency determines that an individual is not cooperating, and the individual does not qualify for a good cause or other exception established by the State agency responsible for making good cause determinations in accordance with section 454(29) of the Act or for a good cause domestic violence waiver granted in accordance with § 260.52 of this chapter, then the IV-D agency must notify the IV-A agency promptly.*

*(c) The IV-A agency must then take appropriate action by:*

*(1) Deducting from the assistance that would otherwise be provided to the family of the individual an amount equal to not less than 25 percent of the amount of such assistance.*

*The IV-D program's policies and procedures for determining non-cooperation are not relevant to the SAO determining if the IV-A program took the appropriate actions upon receipt of the non-*

cooperation case. The Department understands the SAO's questions regarding the decrease in non-cooperation cases received by the IV-A program; however, once the SAO learned the decrease was not caused by any programmatic errors in the electronic notification process between the two programs, they should have then evaluated if the small number of non-cooperation cases received would likely have a direct and material effect on the program.

The Department believes the SAO's preconceptions on the program's objectives impacted their decision. When the Department questioned the direct and material effect the 12 non-cooperation cases has on the program, the SAO stated:

*"For the TANF non-cooperation requirement, the team learned through meetings with staff that the (IV-D) program significantly changed its approach during the pandemic in how it chose to refer cases to CSD. With this significant procedural change along with the knowledge that DSHS staffing was negatively impacted by the COVID-19 pandemic, the team felt there was an increased risk to meeting federal requirements despite the prior years of no significant audit issues. These factors made the team consider the requirement material to the program and I agree with that assessment."*

The IV-D program's policies and procedures do not affect the IV-A program's ability to reduce TANF assistance upon receipt of the non-cooperation case as required by 45 CFR 264.30 and should not have been a factor in determining whether the 12 non-cooperation cases received by the IV-A program were likely to have a direct and material effect on the IV-A program. In addition, the Department's IV-A program never stated that staffing was negatively impacted by the COVID-19 pandemic or that it affected their ability to process non-cooperation notices. Public confidence is maintained by auditors' integrity which includes performing their work with an attitude that is objective and fact based.

The Department also does not concur that adequate internal controls were not in place. When a non-cooperation case is received and good cause is not applicable, the worker takes action by updating the case as "not cooperating" in the Automated Client Eligibility System (ACES). This status update triggers a reduction in TANF assistance. The system has controls in place to alert the worker when there is no change to the client's benefit amount, which should prompt the worker to review the coding of the case.

The Department does concur one case did not have its TANF assistance properly reduced. When the Department's IV-A program is notified of non-cooperation, staff take action by entering the non-cooperation in the Automated Client Eligibility System (ACES). For non-cooperation cases where good cause is not applicable, the worker would update the following fields on the "Non-Custodial Parent" page of ACES:

- IV-D Cooperation field is changed to No (N) from the dropdown; and
- Status is changed to Not Cooperating (NC)

*When the worker updates both aforementioned fields as not cooperating, it results in a reduction of the TANF assistance. There is a system control so if the worker only updates one of the two aforementioned fields as “not cooperating,” then the system alerts the worker with a warning message that “Eligibility Recalculation results in no change.” The worker must then review the details screen which shows the previous benefit amount and the new benefit amount as unchanged and again displays a highlighted warning message that the “Eligibility Recalculation results in no changes.” The worker must review and click “confirm benefits” to process the action. The worker then documents their actions in the narrative screen using an auto populated template of the actions they took which again states if there was a change in benefits.*

*The worker who processed the single non-cooperation case in question was in-training at the time the error was made, did not have the full understanding that benefits would be reduced as a result of non-cooperation, and therefore did not take action to review the coding when prompted by the system alerts.*

*Upon discovery of the error, the IV-A program immediately corrected the case to properly code it as “not cooperating” and processed an overpayment for the appropriate amount. In addition, the IV-A program followed up with the worker to go over the error and prevent future errors.*

*To further address the finding, the department will:*

- *Continue existing regular auditing of the TANF program and further address the correct coding of noncooperation notices during a statewide policy announcement.*
- *Continue to review internal controls and analyze if further advancements are needed.*

### ***Auditor’s Remarks***

The Department asserts that we “crept outside of the scope of the audit” when we performed procedures to determine why the number of non-cooperative cases the Department identified decreased by 99.5 percent, from 2,437 to 12, in one year. This level of fluctuation in a federal program is rare and may be an indicator of significant changes in process or potential issues. In our judgment, not inquiring with management and following up on this decrease would have not been exercising good professional judgement or due diligence. It does not constitute scope creep.

The Department asserts that this Special Test and Provision should not have been audited due to only 12 cases being processed during the audit period. Auditors apply both quantitative and qualitative factors when determining whether a compliance requirement is direct and material to a federal program. Materiality for this compliance requirement cannot be determined based solely on quantitative criteria. Relying on dollar amounts alone would result in this requirement never being material compared to program expenditures, and therefore it would never be tested. Instead,

it is determined material for qualitative reasons, due to the nature of the requirement. This is not uncommon for Special Tests and Provisions. Federal grantors specifically include them in the compliance supplement because they want auditors to examine them and they do not fall within the standard compliance requirements.

The Department also does not concur that adequate internal controls were not in place to prevent noncompliance. The Department acknowledges that the worker who processed the noncompliant case made an error. The Department said it corrected the error upon discovery. However, the Department did not detect the error; it was only made aware of the error by the auditor who performed the testing. The internal control weakness identified was not the error itself, but that management had not implemented an internal control to detect this type of error and is therefore reliant on the worker unfailingly entering correct information. This weakness in the design of the internal control structure at the Department, in our judgment, led to material noncompliance during the audit period.

We reaffirm our finding, and we will follow up on the Department's corrective action during the next audit.

### *Applicable Laws and Regulations*

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal

award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 42 *U.S. Code of Federal Regulations Part A – Block Grants to States for Temporary Assistance for Needy Families* establishes the following requirements:

Section 608, Prohibitions; Requirements states in part:

- (2) Reduction or elimination of assistance for noncooperation in establishing paternity or obtaining child support

If the agency responsible for administering the State plan approved under part D determines that an individual is not cooperating with the State in establishing paternity or in establishing, modifying, or enforcing a support order with respect to

a child of the individual, and the individual does not qualify for any good cause or other exception established by the State pursuant to section 654(29) of this title, then the State—

(A) shall deduct from the assistance that would otherwise be provided to the family of the individual under the State program funded under this part an amount equal to not less than 25 percent of the amount of such assistance; and

(B) may deny the family any assistance under the State program.

Section 609, Penalties states in part:

(8) Noncompliance of State child support enforcement program with requirements of part D

(A) In general

If the Secretary finds, with respect to a State's program under part D, in a fiscal year beginning on or after October 1, 1997—

(i)(I) on the basis of data submitted by a State pursuant to section 654(15)(B) of this title, or on the basis of the results of a review conducted under section 652(a)(4) of this title, that the State program failed to achieve the paternity establishment percentages (as defined in section 652(g)(2) of this title), or to meet other performance measures that may be established by the Secretary;

(II) on the basis of the results of an audit or audits conducted under section 652(a)(4)(C)(i) of this title that the State data submitted pursuant to section 654(15)(B) of this title is incomplete or unreliable; or

(III) on the basis of the results of an audit or audits conducted under section 652(a)(4)(C) of this title that a State failed to substantially comply with 1 or more of the requirements of part D (other than paragraph (24), or subparagraph (A) or (B)(i) of paragraph (27), of section 654 of this title); and

(ii) that, with respect to the succeeding fiscal year—

(I) the State failed to take sufficient corrective action to achieve the appropriate performance levels or compliance as described in subparagraph (A)(i); or

(II) the data submitted by the State pursuant to section 654(15)(B) of this title is incomplete or unreliable;

the amounts otherwise payable to the State under this part for quarters following the end of such succeeding fiscal year, prior to quarters following the end of the first quarter throughout which the State program has achieved the paternity establishment percentages or other performance measures as described in subparagraph (A)(i)(I), or is in substantial compliance with 1 or more of the requirements of part D as described in subparagraph (A)(i)(III), as appropriate, shall be reduced by the percentage specified in subparagraph (B).

(B) Amount of reductions

The reductions required under subparagraph (A) shall be—

- (i) not less than 1 nor more than 2 percent;
- (ii) not less than 2 nor more than 3 percent, if the finding is the 2nd consecutive finding made pursuant to subparagraph (A); or
- (iii) not less than 3 nor more than 5 percent, if the finding is the 3rd or a subsequent consecutive such finding.

(C) Disregard of noncompliance which is of a technical nature

For purposes of this section and section 652(a)(4) of this title, a State determined as a result of an audit—

- (i) to have failed to have substantially complied with 1 or more of the requirements of part (D) shall be determined to have achieved substantial compliance only if the Secretary determines that the extent of the noncompliance is of a technical nature which does not adversely affect the performance of the State's program under part D; or
- (ii) to have submitted incomplete or unreliable data pursuant to section 654(15)(B) of this title shall be determined to have submitted adequate data only if the Secretary determines that the extent of the incompleteness or unreliability of the data is of a technical nature which does not adversely affect the determination of the level of the State's paternity establishment percentages (as defined under section 652(g)(2) of this title) or other performance measures that may be established by the Secretary.

Title 45 *U.S. Code of Federal Regulations* (CFR) Part 264, *Other Accountability Provisions*, establishes the following applicable requirements:

Section 264.30 – What procedures exist to ensure cooperation with the child support enforcement requirements?

(a) (1) The State agency must refer all appropriate individuals in the family of a child, for whom paternity has not been established or for whom a child support order needs to be established, modified or enforced, to the child support enforcement agency (i.e., the IV-D agency).

(2) Referred individuals must cooperate in establishing paternity and in establishing, modifying, or enforcing a support order with respect to the child.

(b) If the IV-D agency determines that an individual is not cooperating, and the individual does not qualify for a good cause or other exception established by the State agency responsible for making good cause determinations in accordance with section 454(29) of the Act or for a good cause domestic violence waiver granted in accordance with § 260.52 of this chapter, then the IV-D agency must notify the IV-A agency promptly.

(c) The IV-A agency must then take appropriate action by:

(1) Deducting from the assistance that would otherwise be provided to the family of the individual an amount equal to not less than 25 percent of the amount of such assistance; or

(2) Denying the family any assistance under the program.

Section 264.31 – What happens if a State does not comply with the IV-D sanction requirement?

(a) (1) If we find that, for a fiscal year, the State IV-A agency did not enforce the penalties against recipients required under § 264.30(c), we will reduce the SFAG payable for the next fiscal year by one percent of the adjusted SFAG.

(2) Upon a finding for a second fiscal year, we will reduce the SFAG by two percent of the adjusted SFAG for the following year.

(3) A third or subsequent finding will result in the maximum penalty of five percent.

(b) We will not impose a penalty if:

(1) The State demonstrates to our satisfaction that it had reasonable cause pursuant to § 262.5 of this chapter; or



(2) The State achieves compliance under a corrective compliance plan pursuant to § 262.6 of this chapter.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-030 The Department of Social and Health Services improperly charged \$224,752 for the Child Support Enforcement and Child Support Enforcement Research programs.**

<b>CFDA Number and Title:</b>	93.563 Child Support Enforcement 93.564 Child Support Enforcement Research
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2001WACSES; 2101WACSES
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs / Cost Principles
<b>Known Questioned Cost Amount:</b>	\$224,752

#### ***Background***

As a condition of receiving federal grant funds, the Department of Social and Health Services (Department) must submit a public assistance cost allocation plan (PACAP) to the U.S. Department of Health and Human Services (DHHS) each state fiscal year. The PACAP describes how the Department allocates costs to all funding sources, including federal grants. If the state amends its PACAP and fails to submit it to DHHS, the costs improperly claimed will be disallowed.

The Department uses the Cost Allocation System (CAS), a subsystem of the Agency Financial Reporting System (AFRS), to execute its PACAP. The Department develops appropriate methodologies that automatically distribute the cost of payments to either state, local or federal funding sources.

As part of its cost allocation process, the Department establishes bases that are used to distribute costs to multiple funding sources. Each base consists of elements that are assigned a percentage that dictates how much of the original payment is allocated to it. Each base is required to be included in the PACAP. The Department is required to submit an amended PACAP any time its cost allocation plan changes.

In fiscal year 2021, the Department used CAS to allocate about \$4.5 billion in costs to federal programs.

### ***Description of Condition***

The Department improperly charged \$224,752 for the Child Support Enforcement and Child Support Enforcement Research programs.

During our review, we identified 97 bases that the Department used during state fiscal year 2021. Out of those bases, we identified two bases that were not included in the PACAP.

Federal regulations require the auditor to issue a finding when the known or estimated questioned costs identified in a Single Audit exceed \$25,000. As stated in the Effect of Condition and Questioned Cost section below, we are issuing this finding because the identified questioned costs exceed that threshold.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

The bases were not originally intended to be used for administrative costs, and staff inadvertently omitted language from the PACAP when the plans changed.

### ***Effect of Condition and Questioned Costs***

We are questioning \$224,752 the Department improperly charged these programs. This includes:

- \$148,336 charged to the Child Support Enforcement program
- \$76,416 charged to the Child Support Enforcement Research program

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Department:

- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid
- Strengthen internal controls to ensure all bases are included in the PACAP

### ***Department's Response***

*The Department partially concurs with the audit finding.*

*The Department concurs we inadvertently omitted language from the Public Assistance Cost Allocation Plan (PACAP). Upon discovery of this error, the Department updated the PACAPs for*

*state fiscal years 2021 and 2022 to include the bases for the Child Support Enforcement and the Child Support Enforcement Research Programs, and resubmitted the PACAPs to the federal grantor. To ensure ongoing accuracy of the PACAP, effective October 10, 2021, the Department implemented a quarterly review of all administrative expenditures to confirm all bases are included in the PACAP.*

*The Department does not concur that we improperly charged these funds to the Child Support Enforcement and Child Support Enforcement Research programs. The federal grantor awarded the Department the funds for the purpose for which we used them. This was strictly a technical error in the PACAP.*

*If the grantor contacts the Department regarding the questioned costs, the Department will discuss the manner in which we used the funds with the grantor and will take additional action if appropriate.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. As stated above in the Description of Condition, the Department did not include the cost bases related to Child Support Enforcement and Child Support Enforcement Research in its PACAP submitted to the federal grantor, and therefore the federal grantor could not have been aware of the Department's intent to apply federal funds from those awards to costs incurred by the Department.

45 CFR 95.919 states that *"if costs under a Public Assistance program are not claimed in accordance with the approved cost allocation plan, or if the State failed to submit an amended cost allocation plan as required by §95.509, the costs improperly claimed will be disallowed."* Therefore, we reaffirm the finding and will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or

service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

#### Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

#### Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

Title 45 *U.S. Code of Federal Regulations* (CFR), Subtitle A, Subchapter A, Part 95, *General Administration-Grant Programs(Public Assistance, Medical Assistance and State Children’s Health Insurance Programs, states in part:*

95.509 Cost allocation plan amendments and certifications.

- (a) The State shall promptly amend the cost allocation plan and submit the amended plan to the DCA Director when changes occur.
- (b) If a State has not submitted a plan or plan amendment during a given State fiscal year, an annual statement shall be submitted to the DCA Director certifying that it’s approved cost allocation plan is not outdated. This statement shall be submitted within 60 days after the end of that fiscal year.

95.517 Claims for Federal financial participation.

- (a) A State must claim FFP for costs associated with a program only in accordance with its approved cost allocation plan. However, if a State has submitted a plan or plan amendment for a State agency, it may, at its option claim FFP based on the proposed plan or plan amendment, unless otherwise advised by the DCA. However, where a State has claimed costs based on a proposed plan or plan amendment the State, if necessary, shall retroactively adjust its claims in accordance with the plan or amendment as subsequently approved by the Director, DCA. The State may also continue to claim FFP under its existing approved cost allocation plan for all costs not affected by the proposed amendment.

95.519 Cost disallowance.

If costs under a Public Assistance program are not claimed in accordance with the approved cost allocation plan, or if the State failed to submit an amended cost allocation plan as required by §95.509, the costs improperly claimed will be disallowed.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-031 The Department of Commerce did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Federal Funding Accountability and Transparency Act.**

<b>CFDA Number and Title:</b>	93.568, Low-Income Home Energy Assistance 93.568, COVID-19 Low-Income Home Energy Assistance
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2001WALIEA; 2001WALIE4; 2101WALIEA; 2101WAE5C6
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Reporting
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Department of Commerce (Department) administers the Low-Income Home Energy Assistance program (program), which provides financial assistance to low-income households to meet their home energy needs. The Department makes subawards to community-based organizations to provide this assistance.

In fiscal year 2021, the Department spent over \$58 million in federal program funds, approximately \$52 million of which it paid to subrecipients.

Under the Federal Funding Accountability and Transparency Act (Act), the Department is required to collect and report information on each subaward of federal funds more than \$25,000 in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). For federal awards issued on or after November 12, 2020, the monetary threshold for reporting increased to \$30,000. The Department must report subawards by the end of the month following the month in which it made the subaward (or subaward amendment). The intent of the Act is to empower citizens with the ability to hold the federal government accountable for spending decisions and, as a result, reduce wasteful government spending.



Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Act.

During the audit period, the Department was required to report approximately \$65.6 million of program funds that it awarded to 26 subrecipients. We found the Department did not report any of these subawards in FSRS as required.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

Department officials said they were not aware of the reporting requirements, and the grant award's terms and conditions did not specify the Act's reporting requirements. Additionally, management did not identify all reporting requirements of 2 CFR Subtitle A, Part 170 and, as a result, did not detect the applicability of the Act's reporting requirements to its subawards.

### ***Effect of Condition***

Failing to submit the required reports diminishes the federal government's ability to ensure accountability and transparency of federal spending. The terms and conditions of the federal award allow the grantor to penalize the Department for noncompliance by suspending or terminating the federal award or withholding future awards.

### ***Recommendations***

We recommend the Department:

- Establish effective internal controls to ensure reports are submitted as required
- Establish policies and procedures for filing required reports
- Provide training for employees who oversee reporting and who verify the submission and accuracy of the reports
- Ensure management monitors reporting of this information to ensure future reports are submitted completely and timely

## ***Department's Response***

*The Department concurs with the finding.*

### **History**

*The Federal Funding Accountability and Transparency Act (FFATA) was signed on September 26, 2006. This legislation intends to empower every American to hold the government accountable for spending decisions. The Commerce LIHEAP team understands and values this work.*

*The LIHEAP program was completing this requirement of reporting. In 2015 Commerce underwent a FFATA process mapping exercise to ensure that each federal program met this requirement. In addition, the agency implemented a FFATA training to ensure compliance among agency staff.*

*Around 2017 our team incorrectly interpreted the need to continue entering the contract amounts into the database. The incorrect interpretation was around what would continue to be tested in the LIHEAP Program audits and the federal compliance supplement.*

### **Solution to Finding**

*The LIHEAP team walked through the specifics of the finding and developed written procedures to train staff on FFATA. Effective immediately, LIHEAP will add FFATA reporting to their funding obligation and contracting process. Our team has set an internal deadline for completing the FFATA reporting for no later than 30 days after the CSHD assistant director signs the obligation memo. The signed obligation memo ensures that the amounts that are contracted to LIHEAP agencies have been vetted through division budget staff, the community economic opportunities managing director, and the CSHD assistant director.*

## ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Title 2 U.S. Code of Federal Regulations (CFR) Part 170, *Reporting Subaward and Executive Compensation Information*, states in part:

Appendix A to Part 170 – Award Term

I. Reporting Subawards and Executive Compensation

a. Reporting of first-tier subawards.

1. *Applicability.* Unless you are exempt as provided in paragraph d. of this award term, you must report each action that equals or exceeds \$30,000 in Federal funds for a subaward to a non-Federal entity or Federal agency (see definitions in paragraph e. of this award term).

2. *Where and when to report.*

i. The non-Federal entity or Federal agency must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. *What to report.* You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-032 The Department of Commerce did not have adequate internal controls over and did not comply with reporting requirements for the Low-Income Home Energy Assistance Program.**

<b>CFDA Number and Title:</b>	93.568 Low-Income Home Energy Assistance Program 93.568 COVID-19 Low-Income Home Energy Assistance Program
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2001WALIEA; 2001WALIE4; 2101WALIEA; 2101WAE5C6
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Reporting
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The U.S. Department of Health and Human Services, through the Office of Community Services at the Administration for Children and Families, administers the Low-Income Home Energy Assistance Program (LIHEAP). The agency distributes LIHEAP block grant funds by formula to states, the District of Columbia, and territories.

In Washington, the Department of Commerce (Department) administers LIHEAP, which provides financial assistance to low-income households to meet their home energy needs. The Department makes subawards to community-based organizations to provide this assistance.

The Department is required to file the Annual Report on Households Assisted by LIHEAP, which consists of six different sections that outline assistance given to households and households applying for assistance. Two key sections are:

1. The number and income levels of households granted assistance under the Coronavirus Aid, Relief and Economic Security (CARES) Act or LIHEAP (heating, cooling, crisis, and weatherization); and

2. The number of households served that contained young children, elderly, or persons with disabilities, or any vulnerable household that receives funding under the CARES Act or LIHEAP.

In fiscal year 2021, the Department spent over \$58 million in federal program funds. Of this amount, the Department paid more than \$51 million to subrecipients.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding reporting requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with requirements to ensure the Annual Report on Households Assisted that it submitted was accurate and complete.

The Department was unable to provide us with the source documentation it used to prepare the report. We examined the report the Department submitted for the federal fiscal year ended September 30, 2020, and attempted to reperform the Department's calculations using data the Department pulled from its LIHEAP database. The Department informed us this data did not contain sufficient information to fully reperform all calculations for the program year under review.

Based on the data the Department provided, we found eight of the 14 fields (57 percent) required under section one and four of the 10 fields (40 percent) required under section two of the report were materially inaccurate. The difference between values reported and the data provided varied between 13 and 656 percent.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

During the audit period, the Department designed an automated system to sort and categorize funds that were traditional LIHEAP and funds that were from the Coronavirus Relief Fund, and automatically populate those numbers on the report. However, the data did not contain information necessary to identify the funding source of each household benefit payment, and the staff responsible for preparing and submitting the report did not retain the data used to support the amounts listed in the report.

Although management reviewed the report, it did not ensure staff retained the supporting data to evidence the accuracy of the report.

### ***Effect of Condition***

By not retaining supporting documentation for the report, management was unable to demonstrate the amounts the Department reported to the federal grantor were complete and accurate.

Additionally, the terms and conditions of the federal award allow the grantor to penalize the Department for noncompliance with reporting requirements by suspending or terminating the award, or withholding future awards, should it choose to do so.

### ***Recommendations***

We recommend the Department:

- Establish effective internal controls to ensure queries of household expenditure data are configured appropriately to produce accurate results for reporting
- Strengthen its management reviews to ensure amounts reported are accurate and adequate documentation is retained to support amounts included in the reports
- Provide any necessary training for employees who oversee reporting and verify the submission and accuracy of the reports
- Consult with the federal grantor to determine if a revision and resubmission of the report is necessary to correct amounts reported under sections one and two

### ***Department's Response***

*While the program concurs with the finding of not retaining supporting documentation for the report, we will dispute being unable to demonstrate the amounts the Department reported to the federal grantor were complete and accurate. The program manager offered to provide the necessary documentation if provided with enough time. The program manager's best estimate was that three months would be needed to complete the data analysis.*

*A condition of the funding Commerce was awarded was being able to track whether the funds were spent and to which grant they were charged. That information for the period of review was from the Commerce Contract Management System (CMS) and required the program to review each month's invoices for each contractor by contract. This was completed and reported.*

*Receiving the funds after the start of the regular LIHEAP program year left the program without sufficient time to change the LIHEAP database. Interrupting the availability of the database would hinder services to Washington residents, and the program manager opted to move forward and*



*pull the necessary data from the CMS system and match CMS spending reports to the LIHEAP data system reports by month.*

*Since the fiscal year 2020 report was submitted to the United States Department of Health and Human Services, the developer for the LIHEAP program has retired, and the program has hired a new developer. The program has begun a modernization effort for the LIHEAP database that is planned for implementation from July 2022 through September 2022.*

*One of the first tasks completed by the new developer was to add contract numbers to the LIHEAP database, which has been in place since LIHEAP program year 2021. Contractors must enter a contract number for every benefit awarded in the LIHEAP data system. The second task was to update the reports to include the ability to pull all administration reports by contract number, date range, and benefit type.*

*Commerce supports that this issue has been resolved. We thank the State Auditor's Office for the opportunity to respond to this exception.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. As stated above in the Description of Condition, the Department did not retain supporting documentation provided with the draft report to management for review, and therefore it did not have source documentation readily available for review during the audit. The timeframe noted in the Department's response to re-create the source documentation necessary to support amounts listed in the household report exceeded the duration of our audit field work, and therefore was not considered.

We reaffirm the finding and will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance

with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
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operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

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**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Title 2 U.S. Code of Federal Regulations (CFR) Part 170, *Annual Report on Households Assisted by LIHEAP (OMG No. 0970-0060)*, states in part:

As part of the application for block grant funds each year, a report is required for the preceding fiscal year of (1) the number and income levels of the households assisted for each component and any type of LHEAP assistance (heating, cooling, crisis, and weatherization); and (2) the number of households served that contained young children, elderly, or persons with disabilities, or any vulnerable household for each component. Territories with annual allotments of less than \$200,000 and all Indian tribes are required to report only on the number of households served for each program component (42 USC 8629; 45 CFR section 96.82).

Section 309 of the *Human Services Amendments of 1994*, Public Law 103-252, amended section 2605(c)(1)(G) of the LIHEAP statute requires grantees, as part of their annual LIHEAP grant application, to report certain data on households which apply for LIHEAP assistance and on households which receive LIHEAP assistance in the most recent Federal Fiscal Year.

To separately identify the impact of supplemental federal LIHEAP funding, HHS expanded the LIHEAP Household Report - Long Form for FFY 2020. For each item in the report, the revised form now includes three lines:

- The first line is for grantees to report information for all applicable households *regardless of funding source*. This is consistent with what grantees were required to report in the past. Grantees should report the total count of households, counting each household once if it received that type of assistance during FY 2020.
- The second line is for grantees to report information for all applicable households that were assisted with CARES Act supplemental LIHEAP funding. Include households that received a benefit that was fully or partially funded with CARES Act funds. Exclude households that did not receive a benefit that was fully or partially funded by CARES Act funds.
- The third line is for grantees to report information for all applicable households that were assisted with other federal supplemental LIHEAP funding (not including CARES Act funding), if any. (Not Applicable).

For each funding category, count a household once that received at least one type of LIHEAP assistance regardless of the type(s) of assistance provided to a household. For example, if a household received three heating assistance benefits, one winter crisis assistance benefit, and one cooling assistance benefit, then count that household only once under ANY Type of LIHEAP assistance. If a household only received a SNAP nominal benefit and no other LIHEAP assistance, it should not be included in the number of households receiving any type of assistance.

The U.S. Department of Health and Human Services, Division of Energy Assistance, Office of Community Services, Administration of Children and Families' *Instructions for the LIHEAP Household Report Long Form FY2020*, states in part:

Introduction:

***Federal LIHEAP Funds***

The purpose of the LIHEAP Household Report is to report on the number of households assisted with available federal LIHEAP funds during FY 2020, including those LIHEAP funds obligated in FY2019 but not expended until FY 2020.

LIHEAP funding includes all federal funds allocated to LIHEAP.

## General Requirements:

### ***Reporting Period***

Household data are for the reporting period for FY2020 (October 1, 2019 – September 30, 2020). Grantees may operate their programs on a different program year (e.g. starting January 1 or July 1). However, complete household data still need to be reported for the reporting period of FY 2020.

### ***Data Consistency***

The data will be checked for consistency against the type of LIHEAP assistance that states report in their *LIHEAP Model Plan for FY 2020* and later with the data reported in each state's *LIHEAP Performance Data Form for FY 2020*. For example, if obligated funds are reported for cooling assistance and there are no household data reported for cooling assistance, then the state should include a note which explains the inconsistency. States may correct such issues by creating a revision and submitting their *LIHEAP Household Report* or *LIHEAP Performance Data Form* in OLDC.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-033** The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers for the Child Care and Development Fund Cluster programs were allowable and properly supported.

<b>CFDA Number and Title:</b>	93.575 Child Care and Development Block Grant 93.575 – COVID-19 Child Care and Development Block Grant 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award Number:</b>	G1901WACCDF, 2003WACCDF, 2103WACCDF, 2003WACCC3, 2103WACCS5
<b>Pass-through Entity:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs/Cost Principles
<b>Known Questioned Cost Amount:</b>	\$271,353,409

### *Background*

The Department of Children, Youth, and Families (Department) administers the federal Child Care and Development Fund (CCDF) grants to help eligible working families pay for child care and fund improvements to child care quality. In fiscal year 2021, the Department spent about \$327.5 million in CCDF federal funding, which was an increase of about \$82 million compared to the prior fiscal year.

The Department is responsible for establishing policies to ensure payments to providers for child care services are allowable. In fiscal year 2021, the Department spent over \$271 million on monthly child care subsidy payments to child care providers.

There are three child care provider types: licensed centers, licensed family homes, and licensed exempt providers referred to as Family, Friends and Neighbor providers. The Department uses a payment system to process the payments it makes to child care providers. The system allocates

payments to various funding sources, partially based on the eligibility of the client. These funding sources include multiple federal programs, multiple CCDF federal grant awards, and state funding. The Department uploads the payment data into the state's accounting system at a summary level based on the various funding sources. There is always a need to transfer the funding sources for some payments throughout the year to manage federal and state funds properly.

In prior audit periods, the Department prepared supporting documentation for transfers that included details of what payments it was transferring. The purpose of documenting this detail was to maintain proper support for federal expenditures.

The Department of Health and Human Services (HHS), which oversees the CCDF program at the federal level, requires recipients have accounting procedures that are sufficient for tracing grants to a level of expenditure adequate to show that they have been used in accordance with program requirements.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers were allowable and properly supported. We have reported this condition since 2005. The most recent audit finding numbers were 2020-038, 2019-035, 2018-034, 2017-024, 2016-021, 2015-023, 2014-023, 2013-016, 12-28, 11-23, 10-31, 9-12 and 8-13.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers for the CCDF programs were allowable and properly supported.

In order to identify payments the Department made to child care providers, we requested and received a population of payments charged to CCDF funding sources from the Department's Social Service Payment System (SSPS). Since 2008, we have tested samples of these transactions and found significant noncompliance with federal and state requirements.

However, for fiscal year 2021, management informed us of recent changes in the Department's grant management practices to process expenditure transfers at the grant level. This new process made the original expenditure coding in SSPS inaccurate and unreliable for testing. As a result, we could not trace the federal funds to a level of expenditure adequate to establish whether the Department spent CCDF funds in accordance with federal and state regulations. As a result, we could not test the Department's payments to child care providers for compliance with activities allowed and cost principles.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

### *Cause of Condition*

The Department is required to maintain sufficient documentation for each payment it makes with federal dollars. Management decided to modify the Department's accounting practices in a way that now prevents it from meeting this requirement.

The Department implemented what management referred to as fund-level accounting. This consisted of making significant accounting adjustments between funding sources in its general ledger without identifying the underlying transactions from SSPS that supported the adjustments. This affected all populations of child care expenditures for every month of the fiscal year.

By processing these adjustments at the fund level, the Department invalidated the transaction-level documentation of the original child care expenditure in SSPS and did not identify the new allocation at the payment level. Additionally, the Department transferred some of these child care expenditures more than once at the fund level, making the underlying data increasingly unreliable with each transfer.

### *Effect of Condition and Questioned Costs*

By not complying with federal law regarding maintaining adequate supporting documentation for expenditures, the Department created a condition that made it impossible for our Office to audit the federal dollars it used for payments to child care providers. Because we could not test transaction-level detail, we also could not determine whether the issues we identified in prior audits had improved or worsened, including the Department's lack of adequate internal controls and significant rate of noncompliance for payments to child care providers.

The total amount of known child care payments with federal CCDF funds in the audit period was \$271,353,409. The Department also partially funded these payments with an additional \$116,852,022 in state dollars.

Because the Department did not comply with HHS requirements to allow for the tracing of grant expenditures to a payment level, we are questioning all \$271,353,409 in federal program costs the Department incurred during the audit period. The payments the Department partially paid with state funds are not included in the federal questioned costs.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.



## ***Recommendations***

We recommend the Department:

- Design and implement internal controls to ensure transaction-level data is sufficient to comply with federal law and state rules
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

## ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges and supports the State Auditor's Office's (SAO) mission, which is to hold state and local governments accountable for the use of public resources.*

*The Department has managed the CCDF program since 2019, prior to that it was managed by the Department of Social and Health Services and the Department of Early Learning. The Department implemented grant-level management of all federal funds, including the CCDF grant. The Department allocated the CCDF grants to eligible clients and allowable activities in compliance with 45 CFR 98.67. This consisted of making significant grant level adjustments between allowable grant sources to properly spend grant dollars within the allowable period of performance and ensure level of effort and matching requirements. The volume increased this year in comparison to previous years due to the Department's implementation of changes to the SSPS system which were not in place until March 2021 resulting in adjustments to July through February data. The Department's grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child level data as suggested in 2 CFR 200.*

*The Department will work to improve our internal controls. The Department does not currently have the staff to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance as identified by SAO. The Department will review options available for processing adjustments to include transaction-level data that is sufficient to comply with 2 CFR 200.*

## ***Auditor's Remarks***

We appreciate the Department's acknowledgement that accounting adjustments were made without supporting child level data. The level of assurance needed to support grant expenditures is not established by our Office, but in titles 2 and 45 of the Code of Federal Regulations and the State's grant award.

We appreciate the Department's commitment to resolving these matters and will review the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.

- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

#### Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

#### Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The

auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

- (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

Title 45 U.S. Code of Federal Regulations, Section 98.67 – Fiscal requirements, states:

- (a) Lead Agencies shall expend and account for CCDF funds in accordance with their own laws and procedures for expending and accounting for their own funds.
- (b) Unless otherwise specified in this part, contracts that entail the expenditure of CCDF funds shall comply with the laws and procedures generally applicable to expenditures by the contracting agency of its own funds.
- (c) Fiscal control and accounting procedures shall be sufficient to permit:
  - (1) Preparation of reports required by the Secretary under this subpart and under subpart H; and
  - (2) The tracking of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the provisions of this part.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not

allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-034 The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payroll charges paid by the Child Care and Development Fund cluster were allowable and properly supported.**

**CFDA Number and Title:** 93.575 Child Care and Development Block Grant  
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund  
93.575 COVID-19 Child Care and Development Block Grant

**Federal Grantor Name:** U.S. Department of Health and Human Services

**Federal Award Number:** G1901WACCDF, 2003WACCDF, 2103WACCDF, 2003WACCC3, 2103WACCS5

**Pass-through Entity:** None

**Pass-through Award/Contract Number:** None

**Applicable Compliance Component:** Activities Allowed or Unallowed Allowable Costs / Cost Principles

**Known Questioned Cost Amount:** \$21,708,066

### ***Background***

The Department of Children, Youth, and Families (Department) administers the federal Child Care and Development Fund (CCDF) grant to help eligible working families pay for child care.

The Department is allowed to request federal reimbursement for salaries and benefits for program activities. The Department established a policy in which employees who spend 100 percent of their time working on the grant must be included in a semiannual certification. The Department requires the cost allocation unit to complete a certification for its employees whose positions are funded by a single federal award. The division director or office unit manager must approve the certification and attest that the employees did not perform any other duties.

In fiscal year 2021, the Department spent about \$327.5 million in CCDF federal funding. More than \$21.7 million of that total was for payroll expenses of employees who worked on the program.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure payments for payroll charges paid by the CCDF were allowable and properly supported. The prior finding numbers were 2020-037, 2019-036, and 2018-033.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with requirements to ensure payroll charges paid by the CCDF were allowable and properly supported.

The Department has established a policy that requires the cost allocation unit to complete semiannual certifications in the second month following the certification period. This is to ensure there is a timely review of payroll expenditures applied to the CCDF to verify they are allowable and meet cost principles.

We reviewed the semiannual certifications for the first half of fiscal year 2021 (July 1 to December 31, 2020) that the Department should have completed during the audit period. This set of semiannual certifications were due no later than February 28, 2021. The Department had not completed the certifications by the end of our audit period of June 31, 2021.

We also reviewed the semiannual certifications for the second half of fiscal year 2021 (January 1 to June 30, 2021). The Department did not complete these semiannual certifications by the August 31, 2021, deadline.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

The Department had written policies in place to ensure salaries and benefits paid with federal grant funds were adequately supported. Department management said that due to the lack of available resources, they considered other areas to be of higher priority for responsible staff, resulting in the Department not following its established policy.

### ***Effect of Condition and Questioned Costs***

The Department charged \$21,708,066 in direct payroll costs to the CCDF that were not adequately supported during the audit period. We are questioning these costs.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Department:

Follow established policies and procedures to ensure payroll costs charged to a federal grant are adequately supported

- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

### ***Department's Response***

*The Department agrees that payroll certifications were not completed timely, but maintains that the employees charged to the grant were allowable per the Public Assistance Cost Allocation Plan (PACAP). In addition, the cost allocation and grants unit and the budget unit review all position coding to determine allowable charges to the grant prior to position establishment or changes.*

*The Department is committed to complying with grant requirements and the semiannual certification related to the audit period were completed in July 2021 and October 2021.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any



payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.

- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.430 Compensation-personal services states in part:

- (a) *General.* Compensation for personal services includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the Federal award, including but not necessarily limited to wages and salaries. Compensation for personal services may also include fringe benefits which are addressed in §200.431 Compensation—fringe benefits. Costs of compensation are allowable to the extent that they satisfy the specific requirements of this part, and that the total compensation for individual employees:
  - (1) Is reasonable for the services rendered and conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities;
  - (2) Follows an appointment made in accordance with a non-Federal entity's laws and/or rules or written policies and meets the requirements of Federal statute, where applicable; and
  - (3) Is determined and supported as provided in paragraph (i) of this section, Standards for Documentation of Personnel Expenses, when applicable.
- (b) *Reasonableness.* Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity. In cases where the kinds of employees required for Federal awards are not found in the other activities of the non-Federal entity, compensation will be considered reasonable to the extent that it

is comparable to that paid for similar work in the labor market in which the non-Federal entity competes for the kind of employees involved.

(c) Professional activities outside the non-Federal entity. Unless an arrangement is specifically authorized by a Federal awarding agency, a non-Federal entity must follow its written non-Federal entity-wide policies and practices concerning the permissible extent of professional services that can be provided outside the non-Federal entity for non-organizational compensation. Where such non-Federal entity-wide written policies do not exist or do not adequately define the permissible extent of consulting or other non-organizational activities undertaken for extra outside pay, the Federal Government may require that the effort of professional staff working on Federal awards be allocated between:

(1) Non-Federal entity activities, and

(2) Non-organizational professional activities. If the Federal awarding agency considers the extent of non-organizational professional effort excessive or inconsistent with the conflicts-of-interest terms and conditions of the Federal award, appropriate arrangements governing compensation will be negotiated on a case-by-case basis

(i) Standards for Documentation of Personnel Expenses

(1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

(i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;

(ii) Be incorporated into the official records of the non-Federal entity;

(iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS);

(iv) Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;

(v) Comply with the established accounting policies and practices of the non-Federal entity (See paragraph (h)(1)(ii) above for treatment of incidental work for IHEs.); and

(vi) [Reserved]

- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.
  - (viii) Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes, provided that:
    - (A) The system for establishing the estimates produces reasonable approximations of the activity actually performed;
    - (B) Significant changes in the corresponding work activity (as defined by the non-Federal entity's written policies) are identified and entered into the records in a timely manner. Short term (such as one or two months) fluctuation between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term; and
    - (C) The non-Federal entity's system of internal controls includes processes to review after-the-fact interim charges made to a Federal awards based on budget estimates. All necessary adjustment must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.
  - (ix) Because practices vary as to the activity constituting a full workload (for IHEs, IBS), records may reflect categories of activities expressed as a percentage distribution of total activities.
  - (x) It is recognized that teaching, research, service, and administration are often inextricably intermingled in an academic setting. When recording salaries and wages charged to Federal awards for IHEs, a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected.
- (2) For records which meet the standards required in paragraph (i)(1) of this section, the non-Federal entity will not be required to provide additional support or documentation for the work performed, other than that referenced in paragraph (i)(3) of this section.

- (3) In accordance with Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) (29 CFR part 516), charges for the salaries and wages of nonexempt employees, in addition to the supporting documentation described in this section, must also be supported by records indicating the total number of hours worked each day.
- (4) Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards.
- (5) For states, local governments and Indian tribes, substitute processes or systems for allocating salaries and wages to Federal awards may be used in place of or in addition to the records described in paragraph (1) if approved by the cognizant agency for indirect cost. Such systems may include, but are not limited to, random moment sampling, “rolling” time studies, case counts, or other quantifiable measures of work performed.
  - (i) Substitute systems which use sampling methods (primarily for Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:
    - (A) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in paragraph (i)(5)(iii) of this section;
    - (B) The entire time period involved must be covered by the sample; and
    - (C) The results must be statistically valid and applied to the period being sampled.
  - (ii) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.
  - (iii) Less than full compliance with the statistical sampling standards noted in subsection (5)(i) may be accepted by the cognizant agency for indirect costs if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the non-Federal entity will result in lower costs to Federal awards than a system which complies with the standards.

- (6) Cognizant agencies for indirect costs are encouraged to approve alternative proposals based on outcomes and milestones for program performance where these are clearly documented. Where approved by the Federal cognizant agency for indirect costs, these plans are acceptable as an alternative to the requirements of paragraph (i)(1) of this section.
- (7) For Federal awards of similar purpose activity or instances of approved blended funding, a non-Federal entity may submit performance plans that incorporate funds from multiple Federal awards and account for their combined use based on performance-oriented metrics, provided that such plans are approved in advance by all involved Federal awarding agencies. In these instances, the non-Federal entity must submit a request for waiver of the requirements based on documentation that describes the method of charging costs, relates the charging of costs to the specific activity that is applicable to all fund sources, and is based on quantifiable measures of the activity in relation to time charged.
- (8) For a non-Federal entity where the records do not meet the standards described in this section, the Federal Government may require personnel activity reports, including prescribed certifications, or equivalent documentation that support the records as required in this section.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those

specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than

a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

The Department of Children, Youth, and Families Administrative Policy 1.03.04, Time Certification for Positions Charged to a Single Federal Award, states in part:

The cost allocation manager must:

- a. Verify the allocation of employees' time that is directly charged to federal awards is identified in the DCYF written cost allocation plan and approved by the granting federal authority.
  - b. List all of the names and position numbers for employees charged to a single federal award and distribute to appropriate agency staff for semi-annual certifications.
  - c. Verify certifications are completed in the second month following the certification period. DCYF certification are based on the state fiscal year.
  - d. Retain all required documentation per the applicable State Government Records Retention Schedule.
2. The division of office unit manager must:
- a. Review charges for the salaries and wages of employees within their program who are coded directly to a single federal award by completed semi-annual certifications.
  - b. Validate the employees' payroll coding at the time of the certification.
  - c. Email the cost allocation manager any necessary corrections.
  - d. Sign the semi-annual certification and return to the cost allocation manager.
3. The division or office director or designee must:
- a. Review the list of names and position numbers for division level semi-annual certifications.



- b. Have first-hand knowledge of the actual work performed by the individuals being certified if certifying for an entire division or work unit
- c. Send an email to the cost allocation manager to communicate any necessary corrections.
- d. Sign the semi-annual certification and return to the cost allocation manager.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-035 The Department of Children, Youth, and Families did not have adequate internal controls over client eligibility requirements for the child care services funded with the Child Care and Development Fund.**

<b>CFDA Number and Title:</b>	93.575 Child Care and Development Block Grant 93.575 COVID-19 Child Care and Development Block Grant 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	G1901WACCDF; 2003WACCDF; 2103WACCDF; 2003WACCC3; 2103WACCS5
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Eligibility
<b>Known Questioned Cost Amount:</b>	\$32

### ***Background***

The Department of Children, Youth, and Families (Department) administers the federal Child Care and Development Fund (CCDF) grant to help eligible working families pay for child care. In fiscal year 2021, the Department spent about \$327.5 million in federal funding.

For a family to be eligible for child care assistance, state and federal rules require that at the time of application or reapplication, children must:

- Reside in Washington and be a citizen or legal resident of the United States;
- Be younger than 13 years, or if for verified special needs, be younger than 19 years;
- Reside with a parent(s) or guardian whose countable income does not exceed 200 percent of the federal poverty level at application or 220 percent at reapplication;
- Reside with a parent(s) or guardian whose countable income does not increase to over 85 percent of state, territorial or tribal median income for a family of the same size; and

- Reside with a parent(s) or guardian who works or attends a job-training or education program, or needs to be receiving protective services.

In response to the COVID-19 pandemic, the Department updated its CCDF State Plan to reflect necessary changes applicable to child care eligibility determinations. The State Plan amendments were approved by the Administration for Children & Families, under the U.S. Department of Health and Human Services. Effective February 29, 2020, the Department was approved for the following eligibility changes during the state declared emergency for COVID-19:

- Family contribution to copayment:
- Copayments in effect from July through September 31, 2020
- Copayments waived from October 1, 2020, through December 31, 2020
- Copayments capped at \$115 from January 1, 2021, through June 30, 2021
- Level of care: The amount of school-age child care for recipients was increased
- Approved activities: eligibility is extended at reapplication if the recipient is no longer in an approved activity due to a pandemic-related layoff

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the past eight audits, we reported findings related to eligibility for the CCDF program. In these prior audits, we reported the Department did not have adequate internal controls over the eligibility process for child care subsidy recipients. The five most recent audits also reported the Department was materially noncompliant with federal requirements. These were reported as finding numbers 2020-039, 2019-032, 2018-030, 2017-026, 2016-023, 2015-026, 2014-026, 2013-017 and 2012-30.

### *Description of Condition*

The Department did not have adequate internal controls over client eligibility requirements for the CCDF program.

Specifically, the Department did not establish a secondary review process of eligibility determinations at the time they were made. The Department performed internal audits of some eligibility determinations for the CCDF program throughout the year, but those audits occurred after it may have already issued payments for the client. In prior audits, we determined these audits of client eligibility usually have a particular focus, do not address all eligibility requirements, and the process is insufficient for detecting and correcting improper eligibility determinations timely.

In May 2021, near the end of the audit period, the Department implemented a new audit process that required audit staff to review all eligibility requirements for a selected sample. Department

management believes this will address the weaknesses in internal controls. However, since the Department did not implement the process until the month before the end of the audit period, we were not able to determine if the new internal control was effective.

During the audit period, the Department determined 53,260 clients to be eligible for child care. We used a statistical sampling method to randomly select and examine 86 of these determinations. We identified four instances (4.7 percent) where the Department made eligibility determinations improperly. Specifically, we found:

- One case when the Department did not follow procedure for verifying new employment, which led to incorrect household income calculation. This resulted in the Department incorrectly assessing the copay amount.
- One case when the Department incorrectly calculated child support.
- One case when the Department did not include child support received in determining eligibility.
- One case when the Department incorrectly assessed the copay amount due to a system error.

We consider this internal control deficiency to be a significant deficiency.

### *Cause of Condition*

The Department did not fully implement its new audit process until the month before the end of the audit period because the change in process required negotiation with the Washington Federation of State Employees (WFSE).

### *Effect of Condition and Questioned Costs*

By not implementing adequate internal controls, the Department is at higher risk of paying providers for child care services when clients are ineligible.

Of the four client eligibility determinations that had errors, one resulted in \$32 of federal overpayments to providers. The Department used CCDF grant funds to pay this entire amount.

Because we used a statistical sampling method to randomly select the payments examined in the audit, we estimate the amount of likely improper payments to be \$19,818.

Our sampling methodology meets statistical sampling criteria under generally accepted auditing standards in AU-C 530.05. It is important to note that the sampling technique we used is intended to support our audit conclusions by determining if expenditures complied with program requirements in all material respects. Accordingly, we used an acceptance sampling formula designed to provide a high level of assurance, with a 95 percent confidence of whether exceptions

exceeded our materiality threshold. Our audit report and finding reflects this conclusion. However, the likely improper payment projections are a point estimate and only represent our “best estimate of total questioned costs” as required by 2 CFR 200.516(3).

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Department improve its internal controls over determining eligibility to ensure it:

- Reviews eligibility determinations sufficiently to detect improper eligibility determinations
- Reviews sufficient support for income and household composition information for accuracy

We also recommend the Department consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.

### ***Department’s Response***

*The Department appreciates, acknowledges, and supports SAO’s mission, which is to hold state and local government accountable for the use of public resources. Further, we particularly appreciate SAO’s work with us over the past year to strengthen the auditing process.*

*The Department performed internal audits of about 11,000 eligibility determinations for the CCDF program during the audit period. Because the eligibility system and the payment system are not linked, the reviews of determination happen after payment is made for the client. Full audits are not conducted on each client case, but are focused on high risk areas of eligibility to maximize staff resources. We have seen considerable decrease in identified errors over the last fiscal year in response to these focused audit areas.*

*In addition, the Department has continued to simplify our rules making it easier for workers to establish eligibility and easier for families to be approved for child care. The Fair Start for Kids Act was enacted October 2021 which included several components to simplify the rules and expand eligibility. The Department will continue to improve processes and internal controls and create and deliver staff training on using data systems and performing income calculations, specifically the Division of Child Supports (SEMS) system and Employment Security Division (ESD) systems.*

### ***Auditor’s Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department’s corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.

- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Washington Administrative Code 110-15-0065 Calculation of income, states in part:

DSHS uses a consumer's countable income when determining income eligibility and copayment. A consumer's countable income is the sum of all income listed in WAC [110-15-0060](#) minus any child support paid out through a court order, division of child support administrative order, or tribal government order.



- (1) To determine a consumer's income, DSHS either:
- (a) Calculates an average monthly income by:
    - (i) Determining the number of months, weeks or pay periods it took the consumer's WCCC household to earn the income; and dividing the income by the same number of months, weeks or pay periods.
    - (ii) If the past wages are no longer reflective of the current income, DSHS may accept the employer's statement of current, anticipated wages for future income determination.
  - (b) When the consumer begins new employment and has less than three months of wages, DSHS uses the best available estimate of the consumer's WCCC household's current income:
    - (i) As verified by the consumer's employer; or
    - (ii) As provided by the consumer through a verbal or written statement documenting the new employment at the time of application, reapplication or change reporting, and wage verification within sixty days of DSHS request.

Washington Administrative Code 110-15-0075 Determining income eligibility and copayment amounts, states:

- (1) DCYF takes the following steps to determine a consumer's eligibility and copayment, whether care is provided under a WCCC voucher or contract:
- (a) Determine the consumer's family size (under WAC 110-15-0015);
  - (b) Determine the consumer's countable income (under WAC 110-15-0065).
- (2) DCYF calculates the consumer's copayment as follows:

IF A CONSUMER'S INCOME IS:	THEN THE CONSUMER'S COPAYMENT IS:
(a) At or below 82% of the federal poverty guidelines (FPG).	\$15
(b) Above 82% of the FPG up to 137.5% of the FPG.	\$65
(c) Above 137.5% of the FPG through 200% of the FPG.	The dollar amount equal to subtracting 137.5% of the FPG from countable income, multiplying by 50%, then adding \$65, up to a maximum of \$115.

- (3) DCYF does not prorate the copayment when a consumer uses care for part of a month.
- (4) The FPG is updated every year. The WCCC eligibility level is updated at the same time every year to remain current with the FPG.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-036 The Department of Children, Youth, and Families did not have adequate internal controls and did not comply with matching, level of effort, and earmarking requirements for the Child Care and Development Fund Cluster.**

<b>CFDA Number and Title:</b>	93.575 Child Care and Development Block Grant 93.575 COVID-19 Child Care and Development Block Grant 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	G1801WACCDF; G-1901WACCDD; G1901WACCDM; 2003WACCDF; 2103WACCDF; 2101WVCCDF
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Matching, Level of Effort, Earmarking
<b>Known Questioned Cost Amount:</b>	\$171,849

### ***Background***

The Department of Children, Youth, and Families (Department) administers the federal Child Care and Development Fund (CCDF) grants to help eligible working families pay for child care and fund improvements to child care quality. In fiscal year 2021, the Department spent about \$327.5 million in federal funding, which was an increase of about \$82 million compared to the prior fiscal year.

The CCDF consists of three distinct funding sources: Discretionary Fund, Mandatory Fund, and Matching Fund. Additionally, under the Temporary Assistance for Needy Families (TANF) program, the Department may transfer TANF funds to the CCDF, which are then treated as Discretionary Funds. The Department is instructed how to spend this federal money. For the Department to receive its allotted share of the Matching Fund, it must meet the Maintenance of Effort (MOE) requirement and match the federal Matching Fund claimed with state expenditures

at the Federal Medical Assistance Percentage rate for the applicable fiscal year. The Department must also meet earmarking requirements for expenditures for administrative and quality activities.

The Department of Health and Human Services (HHS), which oversees the CCDF program at the federal level, requires recipients have accounting procedures that are sufficient for tracing funds to a level of expenditure adequate to show that they have been used in accordance with program requirements. Department staff run monthly and quarterly expenditure reports to track requirements over matching, level of effort, and earmarking for each open grant award.

Federal regulations require recipients to establish and follow internal controls that ensure compliance with program requirements. These controls include understanding program requirements and monitoring the effectiveness of established controls.

In a prior audit, we reported the Department did not have adequate internal controls over matching, level of effort, and earmarking requirements for the Child Care and Development Fund Cluster programs. The prior finding number was 2020-040.

### *Description of Condition*

The Department did not have adequate internal controls and did not comply with matching, level of effort, and earmarking requirements for the CCDF programs.

During the audit period, the earmarking requirement applied to the federal fiscal year 2018 award. The requirement stipulated the Department could not spend more than five percent of total CCDF awards expended and any state expenditures for which matching funds are claimed on administrative costs. We found the Department exceeded the administrative cost maximum for the 2018 award.

The Department also did not have any written policies and procedures describing how it monitored the CCDF programs to ensure it complied with matching, level of effort, and earmarking requirements.

The Department's accounting records should be used to verify it has met matching, level of effort, and earmarking requirements. During the audit period, the Department's grant management practice was to process expenditure transfers at the grant level without identifying which expenditures it transferred. Therefore, we could not rely on the data supporting the Department's expenditures or verify that the accounting records are accurate. This condition is also referenced in audit finding 2021-033.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

## *Cause of Condition*

Management transferred the responsibility for tracking grant expenditures to multiple employees during the audit period. Management said the lack of an established process was due to insufficient staffing. The Department's ongoing monitoring throughout the year was ineffective for ensuring it met the matching, level of effort, and earmarking requirements.

Additionally, the Department implemented what management referred to as fund-level accounting. This consisted of making significant accounting adjustments between funding sources in its general ledger without identifying the underlying transactions that supported the adjustments. This affected all populations of child care expenditures for every month of the fiscal year.

By processing these adjustments at the fund level, the Department invalidated the transaction-level documentation of the original child care expenditure in the Social Service Payment System (SSPS) and did not identify the new allocation at the payment level. Additionally, the Department transferred some of these child care expenditures more than once at the fund level, making the underlying data increasingly unreliable with each transfer.

## *Effect of Condition and Questioned Costs*

For federal fiscal year 2018 awards, the Department provided us with an expenditure report showing that it had spent \$171,849 over the administrative earmarking requirement.

By not maintaining reliable accounting records, the Department created a condition that made it impossible for us to determine if it had met matching, level of effort, and earmarking requirements. Furthermore, without adequate internal controls in place, the Department is at a higher risk of making improper payments with grant funds.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

## *Recommendations*

We recommend the Department:

- Develop written policies and procedures describing how it will ensure it meets matching, level of effort, and earmarking requirements
- Develop effective ongoing monitoring procedures
- Design and implement internal controls to ensure CCDF expenditures are supported with transaction-level data that is sufficient to comply with federal law and state rules
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

## ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges, and supports the State Auditor's Office's (SAO) mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develops strategies to make government more efficient and effective.*

*The Child Care and Development Fund (CCDF) program was previously managed by the Department of Social and Health Services and the Department of Early Learning. Since the program transitioned in 2019, the Department has been making efforts to strengthen internal controls over CCDF grant requirements. The identified questioned costs were for the federal fiscal year 2018 awards and during the transition year. The Department agrees that internal controls were not in place during the transition to verify compliance with the administrative earmarking requirement.*

*The audit period covered expenditures related to grant award years 2018, 2019, 2020, and 2021. Level of effort and other earmarking expenditures were not affected by journal vouchers related to child care expenditures paid through SSPS as noted in the Effect of Condition. The grantor requires specific levels of spend based on the grant award. The Department uses various elements of the Chart of Accounts in order to track the matching, level of effort, and earmarking spend requirements. These elements include using allocation code and program index to track specific activities and reporting the expenditures on the ACF-696 report. The expenditures related to the earmarking requirements are direct expenditures for quality activities related to infant and toddler services. Expenditures related to level of effort requirements are direct payments for ECEAP, tiered reimbursement, and other allowable expenditures paid with state funds.*

*During state fiscal year 2021, the Department utilized grant-level accounting to manage the direct payments for child care subsidy payments and verified the expenditures met the minimum and maximum allowable earmarks under the federal program requirements for applicable grant award years. The expenditures to meet quality activities, level of effort, and other earmarks were not tested to verify this compliance. The Department maintains that expenditures charged to these programs were allowable payments to the CCDF grant and processed directly through the state's agency financial reporting system. The Department will establish written procedures for federal requirements and fiscal monitoring of these areas.*

*The Department implemented grant-level management of all federal funds, including the CCDF grants. The Department allocated the CCDF grants to eligible clients and allowable activities in compliance with 45 CFR 98.67. This consisted of making significant grant level adjustments between allowable grant sources to properly spend grant dollars within the allowable period of performance and ensure level of effort, earmarking, and matching requirements. The volume increased this year in comparison to previous years due to the Department's implementation of changes to the SSPS system which were not in place until March 2021 resulting in adjustments to*

*July through February data. The Department's grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child level data as suggested in 2 CFR 200.*

*The Department will work to improve our internal controls. The Department does not currently have the staff to develop and maintain the business process redesign, as well as the information technology initiatives necessary to meet the level of assurance as identified by SAO. The Department will review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations.*

### ***Auditor's Remarks***

The level of assurance needed to support grant expenditures is not established by our Office, but in titles 2 and 45 of the Code of Federal Regulations and the State's grant award.

By not identifying the underlying transactions in SSPS affected by year-end accounting adjustments, management does not have reasonable assurance of compliance with level of effort and earmarking requirements for the federal awards pertaining to the transactions.

We appreciate the Department's commitment to resolving these matters and will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.



Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

Title 2 *US. Code of Federal Regulations* (CFR) Part 98, Child Care and Development Fund establishes the following applicable requirements:

Section 98.50 Child care services states in part:

(b) Of the aggregate amount of funds expended by a State or Territory (*i.e.*, Discretionary, Mandatory, and Federal and State share of Matching funds):

(1) No less than seven percent in fiscal years 2016 and 2017, eight percent in fiscal years 2018 and 2019, and nine percent in fiscal year 2020 and each succeeding fiscal year shall be used for activities designed to improve the quality of child care services and increase parental options for, and access to, high-quality child care as described at § 98.53; and

(2) No less than three percent in fiscal year 2017 and each succeeding fiscal year shall be used to carry out activities at § 98.53(a)(4) as such activities relate to the quality of care for infants and toddlers.

(3) Nothing in this section shall preclude the State or Territory from reserving a larger percentage of funds to carry out activities described in paragraphs (b)(1) and (2) of this section.

(c) Funds expended from each fiscal year's allotment on quality activities pursuant to paragraph (b) of this section:

(1) Must be in alignment with an assessment of the Lead Agency's need to carry out such services and care as required at § 98.53(a);

(2) Must include measurable indicators of progress in accordance with § 98.53(f); and

(3) May be provided directly by the Lead Agency or through grants or contracts with local child care resource and referral organizations or other appropriate entities.

(d) Of the aggregate amount of funds expended (*i.e.*, Discretionary, Mandatory, and Federal and State share of Matching Funds), no more than five percent may be used for administrative activities as described at § 98.54.

(e) Not less than 70 percent of the Mandatory and Federal and State share of Matching Funds shall be used to meet the child care needs of families who:

(1) Are receiving assistance under a State program under Part A of title IV of the Social Security Act;

(2) Are attempting through work activities to transition off such assistance program; and

(3) Are at risk of becoming dependent on such assistance program.

(f) From Discretionary amounts provided for a fiscal year, the Lead Agency shall:

(1) Reserve the minimum amount required under paragraph (b) of this section for quality activities, and the funds for administrative costs described at paragraph (d) of this section; and

(2) From the remainder, use not less than 70 percent to fund direct services (provided by the Lead Agency).

(g) Of the funds remaining after applying the provisions of paragraphs (a) through (f) of this section, the Lead Agency shall spend a substantial portion of funds to provide direct child care services to low-income families who are working or attending training or education.

(h) Pursuant to § 98.16(i)(4), the Plan shall specify how the State will meet the child care needs of families described in paragraph (e) of this section.

Section 98.55 Matching fund requirements states in part:

(c) In order to receive Federal matching funds for a fiscal year under paragraph (a) of this section:

(1) States shall also expend an amount of non-Federal funds for child care activities in the State that is at least equal to the State's share of expenditures for fiscal year 1994 or 1995 (whichever is greater) under sections 402(g) and (i) of the Social Security Act as these sections were in effect before October 1, 1995; and

(2) The expenditures shall be for allowable services or activities, as described in the approved State Plan if appropriate, that meet the goals and purposes of the Act.

(3) All Mandatory Funds are obligated in accordance with § 98.60(d)(2)(i).

(d) The same expenditure may not be used to meet the requirements under both paragraphs (b) and (c) of this section in a fiscal year.

(e) An expenditure in the State for purposes of this subpart may be:

(1) Public funds when the funds are:

- (i) Appropriated directly to the Lead Agency specified at § 98.10, or transferred from another public agency to that Lead Agency and under its administrative control, or certified by the contributing public agency as representing expenditures eligible for Federal match;
  - (ii) Not used to match other Federal funds; and
  - (iii) Not Federal funds, or are Federal funds authorized by Federal law to be used to match other Federal funds; or
- (2) Donated from private sources when the donated funds:
- (i) Are donated without any restriction that would require their use for a specific individual, organization, facility or institution;
  - (ii) Do not revert to the donor's facility or use;
  - (iii) Are not used to match other Federal funds;
  - (iv) Shall be certified both by the Lead Agency and by the donor (if funds are donated directly to the Lead Agency) or the Lead Agency and the entity designated by the State to receive donated funds pursuant to paragraph (f) of this section (if funds are donated directly to the designated entity) as available and representing funds eligible for Federal match; and
  - (v) Shall be subject to the audit requirements in § 98.65 of these regulations.

Title 45 U.S. Code of Federal Regulations, Section 98.67 – Fiscal requirements, states:

- (d) Lead Agencies shall expend and account for CCDF funds in accordance with their own laws and procedures for expending and accounting for their own funds.
- (b) Unless otherwise specified in this part, contracts that entail the expenditure of CCDF funds shall comply with the laws and procedures generally applicable to expenditures by the contracting agency of its own funds.
- (c) Fiscal control and accounting procedures shall be sufficient to permit:
  - (3) Preparation of reports required by the Secretary under this subpart and under subpart H; and
  - (4) The tracking of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the provisions of this part.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-037 The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with period of performance requirements for the Child Care and Development Fund.**

<b>CFDA Number and Title:</b>	93.575 Child Care and Development Block Grant 93.575 COVID-19 Child Care and Development Block Grant 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	G1801WACCDF, G1901WACCDD, G1901WACCDM, 2003WACCDF, 2103WACCDF, 2101WVCCDF
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Period of Performance
<b>Known Questioned Cost Amount:</b>	\$4,039

### ***Background***

The Department of Children, Youth, and Families (Department) administers the federal Child Care and Development Fund (CCDF) to help eligible working families pay for child care and fund improvements to child care quality. In fiscal year 2021, the Department spent about \$327.5 million in CCDF federal funding.

Each federal grant specifies a performance period during which recipients must obligate and liquidate program costs. These periods typically align with the federal fiscal year of October 1 through September 30. Payments for costs charged before a grant's beginning date or after the ending date are not allowed without the grantor's prior approval.

The CCDF consists of three distinct funding sources: Discretionary Fund, Mandatory Fund, and Matching Fund. Each of these funds has specific period of performance requirements established in federal regulation (45 CFR 98.60(d)):

- Discretionary Funds must be obligated by the end of the succeeding fiscal year after award and expended by the end of the third fiscal year after award.

- Mandatory Funds for states must be obligated by the end of the fiscal year in which they are awarded if the state also requests Matching Funds. If no Matching Funds are requested for the fiscal year, then the Mandatory Funds are available until liquidated.
- Matching Funds must be obligated by the end of the fiscal year in which they are awarded and liquidated by the end of the succeeding fiscal year after award.

The Department of Health and Human Services (HHS), which oversees the CCDF at the federal level, requires recipients to have accounting procedures that are sufficient for tracing grants to a level of expenditure adequate to show that they have been used in accordance with program requirements.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported the Department did not have adequate internal controls over period of performance requirements. The prior finding number was 2020-041.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with period of performance requirements for the CCDF.

Our Office uses the Department's accounting records to verify it has met the period of performance requirements. However, for fiscal year 2021, management informed us of recent changes in the Department's grant management practices to process expenditure transfers at the grant level. This process made the original expenditure coding inaccurate and unreliable for audit testing. As a result, we could not trace the federal funds to a level of expenditure adequate to establish whether the Department spent CCDF funds in accordance with federal and state regulations. As a result, we could not test the Department's payments to child care providers for compliance with period of performance requirements. This condition is also referenced in audit finding 2021-033.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### *Cause of Condition*

The Department is required to maintain sufficient documentation for each payment it makes with federal dollars. Management decided to modify the Department's accounting practices in a way that now prevents it from meeting this requirement.

The Department implemented what management referred to as fund-level accounting. This consisted of making significant accounting adjustments between funding sources in its general

ledger without identifying the underlying transactions that supported the adjustments. This affected all populations of child care expenditures for every month of the fiscal year.

By processing these adjustments at the fund level, the Department invalidated the transaction-level documentation of the original child care expenditure and did not identify the new allocation at the payment level. Additionally, the Department transferred some of these child care expenditures more than once at the fund level, making the underlying data increasingly unreliable with each transfer.

Additionally, the Department's ongoing monitoring throughout the year was ineffective for ensuring it met the period of performance requirements during the audit period. We also determined the Department did not have any written policies and procedures describing how it monitored to ensure it met the period of performance requirements.

### ***Effect of Condition***

By not complying with federal law regarding maintaining adequate supporting documentation for expenditures, the Department created a condition that made it impossible for our Office to determine if it materially met the period of performance requirements. However, when analyzing the Department's accounting records, we identified \$4,039 in expenditures it charged to the CCDF for costs that occurred prior to the grant award's beginning date.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Department:

- Design and implement internal controls to ensure transaction-level data is sufficient to comply with federal law and state rules
- Develop written policies and procedures over federal period of performance requirements

### ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges, and supports the State Auditor's Office's (SAO) mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develops strategies to make government more efficient and effective.*

*The Child Care and Development Fund (CCDF) program was previously managed by the Department of Social and Health Services and the Department of Early Learning. Since the program transitioned in 2019, the Department has been making efforts to strengthen internal controls over CCDF grant requirements. The Department implemented grant-level management*



*of all federal funds, including the CCDF grant. The Department allocated the CCDF grants to eligible clients and allowable activities in compliance with federal regulations outlined in 45 CFR 98.67. This consisted of making grant level adjustments for eligible clients and allowable activities between allowable funding sources to properly spend grant dollars within the allowable period of performance and ensure level of effort and matching requirements. However, the adjustments did not include child level data as suggested in federal regulations outlined in 2 CFR 200.*

*As to the questioned cost identified by State Auditor's Office (SAO), all of the cost identified were corrected in state fiscal year 2022 and within the liquidation period allowed by federal regulations. The corrections were not considered by SAO because they were processed outside of the audit period reviewed. The expenditures charged to indirect cost bases are automatically allocated in the cost allocation system to any open grants at the time of entry into the state's accounting system. The CCDF grants analyst then processes a journal voucher to move the expenditures out of the grant if they are not allowable or outside the period of performance. The Department will establish written procedures for federal period of performance requirements and fiscal monitoring of these areas.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).

- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 45 U.S. Code of Federal Regulations, Section 98.60 -Availability of funds, states in part:

- (d) The following obligation and liquidation provisions apply to States and Territories:
  - (1) Discretionary Fund allotments shall be obligated in the fiscal year in which funds are awarded or in the succeeding fiscal year. Unliquidated obligations as of the end of the succeeding fiscal year shall be liquidated within one year.

(2)

(i) Mandatory Funds for States requesting Matching Funds per § 98.55 shall be obligated in the fiscal year in which the funds are granted and are available until expended.

(ii) Mandatory Funds for States that do not request Matching Funds are available until expended.

(3) Both the Federal and non-Federal share of the Matching Fund shall be obligated in the fiscal year in which the funds are granted and liquidated no later than the end of the succeeding fiscal year.

Title 45 U.S. Code of Federal Regulations, Section 98.67 – Fiscal requirements, states in part:

(e) Lead Agencies shall expend and account for CCDF funds in accordance with their own laws and procedures for expending and accounting for their own funds.

(f) Unless otherwise specified in this part, contracts that entail the expenditure of CCDF funds shall comply with the laws and procedures generally applicable to expenditures by the contracting agency of its own funds.

(g) Fiscal control and accounting procedures shall be sufficient to permit:

(5) Preparation of reports required by the Secretary under this subpart and under subpart H; and

(6) The tracking of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the provisions of this part.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person

performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-038 The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with financial reporting requirements for the Child Care and Development Fund Cluster.**

<b>CFDA Number and Title:</b>	93.575 Child Care and Development Block Grant 93.575 COVID-19 Child Care and Development Block Grant 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	G1901WACCDF, 2003WACCDF, 2103WACCDF, 2003WACCC3, 2103WACCS5
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Reporting
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Department of Children, Youth, and Families (Department) administers the federal Child Care and Development Fund (CCDF) grant to help eligible working families pay for child care and fund improvements to child care quality. In fiscal year 2021, the Department spent about \$327.5 million in federal funding, which was an increase of about \$82 million compared to the prior fiscal year.

The Department is required to submit a quarterly ACF-696 report for each open grant. These reports contain information on expenditures for three CCDF funding sources: the Mandatory Fund, the Matching Fund, and the Discretionary Fund. The Department uses CCDF expenditures recorded in the state's accounting system to compile and support the ACF-696 report.

The Department of Health and Human Services (HHS), which oversees the CCDF program at the federal level, requires recipients have accounting procedures that are sufficient for tracing funds to a level of expenditure adequate to show that they have been used in accordance with program requirements.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with financial reporting requirements for the CCDF program.

During the audit period, the Department was required to submit ACF-696 reports for the following federal fiscal years: 2018 (final report due), 2019 (four quarterly reports due), 2020 (four quarterly reports due), and 2021 (three quarterly reports due).

The Department's accounting records must provide and support the financial information reported on ACF-696 reports. During the audit period, the Department's grant management practice was to process expenditure transfers at the grant level without identifying which expenditures it transferred. Therefore, we could not rely on the data supporting the Department's reported ACF-696 expenditures, and could not test whether the reports were accurate and complete. This condition is also referenced in audit finding 2021-033.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

The Department implemented what management referred to as fund-level accounting. This consisted of making significant accounting adjustments between funding sources in its general ledger without identifying the underlying transactions that supported the adjustments. This affected all populations of child care expenditures for every month of the fiscal year.

By processing these adjustments at the fund level, the Department invalidated the transaction-level documentation of the original child care expenditure in the Social Service Payment System (SSPS) and did not identify the new allocation at the payment level. Additionally, the Department transferred some of these child care expenditures more than once at the fund level, making the underlying data increasingly unreliable with each transfer.

### ***Effect of Condition***

By not complying with federal law regarding maintaining adequate supporting documentation for expenditures, the Department created a condition that made it impossible for our Office to audit the federal expenditures reported on the ACF-696 financial report.

While the Department submitted all the required ACF-696 reports for the audit period, we could not determine whether the expenditures reported are reliable.

### ***Recommendation***

We recommend the Department design and implement internal controls to ensure the ACF-696 report is supported with transaction-level data that is sufficient to comply with federal law and state rules.

### ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges, and supports the State Auditor's Office's (SAO) mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develops strategies to make government more efficient and effective.*

*The Child Care and Development Fund (CCDF) program was previously managed by the Department of Social and Health Services and the Department of Early Learning. Since the program transitioned in 2019, the Department has been making efforts to strengthen internal controls over CCDF grant requirements. The Department implemented grant-level management of all federal funds, including the CCDF grant. The Department allocated the CCDF grants to eligible clients and allowable activities in compliance with federal regulations outlined in 45 CFR 98.67. This consisted of making grant level adjustments for eligible clients and allowable activities between allowable funding sources to properly spend grant dollars within the allowable period of performance and ensure level of effort and matching requirements. However, the adjustments did not include child level data as suggested in federal regulations outlined in 2 CFR 200.*

*The ACF-696 reports that were filed during the audit period were submitted timely and accurately to reflect the grant level expenditures as document in the agency financial reporting system. SAO also tested the reporting requirements for Federal Funding Accountability and Transparency Act for internal controls and compliance and found no deficiencies or internal control weaknesses. The Department will review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations and supports the ACF-696 requirements.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.



## *Applicable Laws and Regulations*

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 45 U.S. Code of Federal Regulations, Section 98.67 – Fiscal requirements, states:

- (h) Lead Agencies shall expend and account for CCDF funds in accordance with their own laws and procedures for expending and accounting for their own funds.
- (i) Unless otherwise specified in this part, contracts that entail the expenditure of CCDF funds shall comply with the laws and procedures generally applicable to expenditures by the contracting agency of its own funds.
- (j) Fiscal control and accounting procedures shall be sufficient to permit:
  - (7) Preparation of reports required by the Secretary under this subpart and under subpart H; and
  - (8) The tracking of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the provisions of this part.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-039 The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with health and safety requirements for the Child Care and Development Fund Program.**

<b>CFDA Number and Title:</b>	93.575 Child Care and Development Block Grant 93.575 COVID-19 Child Care and Development Block Grant 93.596 Child Care Mandatory and matching Funds of the Child Care and Development Fund
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	G1901WACCDF; 2003WACCDF; 2103WACCDF; 2003WACCC3; 2103WACCS5
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Special Tests and Provisions: Health and Safety Requirements
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Department of Children, Youth, and Families (Department) administers the federal Child Care and Development Fund (CCDF) grant to help eligible working families pay for child care. In fiscal year 2021, the Department spent about \$327.5 million in CCDF federal funding

The Department oversees two types of providers: licensed providers and license-exempt Family, Friends, & Neighbors (FFN) providers. The Department is responsible for ensuring all these providers meet health and safety standards. The monitoring activity varies for licensed and FFN providers.

The Department has an approved CCDF State Plan for federal fiscal year 2019-2021 that outlines how the Department will meet the health and safety requirements for licensed and FFN providers.

### ***Licensed providers***

Department licensors conduct annual, unannounced onsite monitoring visits of licensed providers, using a monitoring checklist, to verify whether they have met required health and safety standards. The licensors use the WA Compass system to document their activities. The system allows licensing staff to monitor the completion of visits, make timely updates and streamline their processes.

When licensors identify health and safety violations during a monitoring visit, they document them on an inspection report. The inspection report contains the areas of provider noncompliance and establishes deadlines for correcting them. The Department is required to conduct timely follow-up visits on noncompliance issues to ensure providers correct them. Depending on the severity of the noncompliance, the Department has five, ten or fifteen business days to verify the noncompliance has been corrected.

#### *FFN providers*

Non-relative FFN providers must complete initial and ongoing health and safety training and sign a health and safety agreement between providers and parents. The Department conducts an annual health and safety visit to ensure providers are following health and safety rules. Additionally, all relative and non-relative FFN providers who receive subsidy payments are required to complete a fingerprint background check.

#### *COVID-19 waiver*

In response to the COVID-19 pandemic, the Administration for Children & Families, under the U.S. Department of Health and Human Services, waived the following health and safety requirements:

- Non-relative FFN annual technical visits
- Fingerprint background checks for licensed providers, non-relative FFNs, and relative FFNs

Additionally, the Department:

- Revised the state plan and conducted annual, announced virtual monitoring visits of licensed providers rather than typical unannounced onsite visits
- Issued a management decision to reinstate the fingerprint requirements beginning January 2021 ahead of the waiver expiration date

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported that the Department did not have adequate internal controls over and did not comply with health and safety requirements. The previous finding numbers were 2020-042, 2019-039, 2018-035, 2017-025, 2016-022 and 2015-024.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with health and safety requirements for the CCDF Program.

#### *Licensed provider annual monitoring and noncompliance follow-ups*

We used a statistical sampling method to randomly select 59 out of a total population of 5,480 licensed providers. We examined this sample of licensed providers to determine if they received an annual virtual monitoring visit and that the Department performed timely, appropriate follow-ups when they found noncompliance issues. We identified six instances (10 percent) where the provider did not receive their required annual monitoring visit. Of the remaining 53 providers that did receive a monitoring visit, we identified:

- One instance (2 percent) where the licensor did not fully complete all health and safety checklist items during the virtual monitoring visit
- Three instances (6 percent) where the licensor did not conduct the appropriate follow-up visit on noncompliance issues. Specifically, we found:
  - Two providers did not have a follow-up visit for identified noncompliance.
  - One provider did not have a timely follow-up visit for identified noncompliance. The Department was required to conduct the visit within ten business days, but performed it 17 days after the initial visit.

#### *Non-relative FFN provider health and safety agreements*

The state plan and a state rule require non-relative FFN providers to complete a health and safety agreement with the parent of the child receiving care within 45 days of completing initial training requirements. This agreement is required to be signed by both the parent and the provider.

During the audit period, Department management chose to not require agreements to be signed by both the parent and the provider. It instead accepted other forms of agreements, such as email or verbal confirmations to meet this requirement. These forms of agreement do not meet the requirements of the state plan and Washington Administrative Code 110-16-0030.

During the audit period, 79 providers were required to complete health and safety agreements. However, the Department only received 38 from providers. Of those 38, only 18 were properly signed, 19 were agreed to via email and one was agreed to verbally. This resulted in 41 providers

(52 percent) not completing the required health and safety agreements in any form for state fiscal year 2021.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

#### *Licensed provider annual monitoring and noncompliance follow-ups*

The Department did not conduct six of the 59 monitoring visits we reviewed because management chose to allow providers to refuse a monitoring visit even though this was not permitted by the state plan or the waiver.

Department is working on a report to track health and safety visits that require follow-ups, but development has been delayed due to other priorities in response to the COVID-19 pandemic.

#### *Non-relative FFN provider health and safety agreements*

In response to the COVID-19 pandemic, Department management decided to accept an email or verbal conversation and confirmation of completion from the provider in lieu of a signed copy of the agreement due to providers having difficulties obtaining electronic signatures on the document. Management said staff did not prioritize complying with the state rule because the Department was amending it during the audit period to change the requirement.

### ***Effect of Condition***

#### *Licensed provider annual monitoring and noncompliance follow-ups*

By not completing monitoring visits or following up on noncompliance in a timely manner, the Department did not have assurance that providers met health and safety requirements. Further, not following up on noncompliance violations in a timely manner can put children in jeopardy of harm, neglect, and unhealthy environments.

#### *Non-relative FFN provider health and safety agreements*

The Department did not comply with state rule and did not meet requirements in its federally approved plan. Additionally, by not having an agreement demonstrating that providers and parents have discussed health and safety requirements, children can be in jeopardy of harm, neglect, and unhealthy environments.

## ***Recommendations***

We recommend the Department:

- Ensure management follows established policies and procedures to ensure licensors complete all monitoring visits and conduct thorough, timely follow-ups on any identified noncompliance issues
- Obtain a waiver from the grantor if management wants to deviate from the approved state plan

## ***Department's Response***

*The Department is strongly committed to ensuring the health, safety, and well-being of all children in care. The Department would like to acknowledge the child care providers that continued to operate during the COVID-19 pandemic and provided support to families and their community.*

*As to the Auditor's specific findings, the Department offers the following detail:*

### *Licensed provider annual monitoring and noncompliance follow-ups*

*Due to the COVID-19 pandemic and the Washington State Governor's Stay Home, Stay Healthy Order, the Department received a waiver for the annual unannounced monitoring visits. The CCDF State Plan was updated to allow for virtual monitoring visits, but some providers were unable to participate in the virtual process resulting in monitoring visits not being conducted during SFY21.*

*System enhancements were made in WA Compass and changes continue to be made to track when follow up health and safety visits are required. Currently the WA Compass recheck report has not been finalized and only shows violations with serious and immediate risks, not all health and safety rechecks needed. In addition, due to COVID-19, some providers denied the licensor access or were not available for recheck within the required recheck time-period.*

### *Non-relative FFN provider health and safety agreements*

*The Department found that non-relative providers had difficulty returning a signed copy of the parent/provider health and safety agreement. As an alternative, the Department allowed providers to submit an email in lieu of the signature and added two technical assistance calls to enhance the provider's understanding of the health and safety requirements.*

*Regarding the recommendations to obtain a waiver from the grantor to support deviations from the approved state plan, the Department always endeavors to implement programs consistent with applicable state and federal requirements and its CCDF State Plan, or to seek waiver from federal requirements, when available, through the CCDF State Plan as necessary to support effective*



implementation. In July 2021, the Department updated the CCDF State Plan to be consistent with accepting email or verbal confirmation of the FFN Parent Agreement.

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

- (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

*45 U.S. Code of Federal Regulations (CFR) part 98.41 Health and safety requirements, states in part:*

(a) Each Lead Agency shall certify that there are in effect, within the State (or other area served by the Lead Agency), under State, local or tribal law, requirements (appropriate to provider setting and age of children served) that are designed, implemented, and enforced to protect the health and safety of children. Such requirements, which are subject to monitoring pursuant to § 98.42, shall:

(1) Include health and safety topics consisting of, at a minimum:

(i) The prevention and control of infectious diseases (including immunizations); with respect to immunizations, the following provisions apply:

(A) As part of their health and safety provisions in this area, Lead Agencies shall assure that children receiving services under the CCDF are age-appropriately immunized. Those health and safety provisions shall incorporate (by reference or otherwise) the latest recommendation for childhood immunizations of the respective State, territorial, or tribal public health agency.

(B) Notwithstanding this paragraph (a)(1)(i), Lead Agencies may exempt:

(1) Children who are cared for by relatives (defined as grandparents, great grandparents, siblings (if living in a separate residence), aunts, and uncles), provided there are no other unrelated children who are cared for in the same setting.

(2) Children who receive care in their own homes, provided there are no other unrelated children who are cared for in the home.

(3) Children whose parents object to immunization on religious grounds.

(4) Children whose medical condition contraindicates immunization.

(C) Lead Agencies shall establish a grace period that allows children experiencing homelessness and children in foster care to receive services under this part while providing their families (including foster families) a reasonable time to take any necessary action to comply with immunization and other health and safety requirements.

(1) The length of such grace period shall be established in consultation with the State, Territorial or Tribal health agency.

(2) Any payment for such child during the grace period shall not be considered an error or improper payment under subpart K of this part.

(3) The Lead Agency may also, at its option, establish grace periods for other children who are not experiencing homelessness or in foster care.

(4) Lead Agencies must coordinate with licensing agencies and other relevant State, Territorial, Tribal, and local agencies to provide referrals and support to help families of children receiving services during a grace period comply with immunization and other health and safety requirements;

(ii) Prevention of sudden infant death syndrome and use of safe sleeping practices;

(iii) Administration of medication, consistent with standards for parental consent;

(iv) Prevention and response to emergencies due to food and allergic reactions;

(v) Building and physical premises safety, including identification of and protection from hazards, bodies of water, and vehicular traffic;

(vi) Prevention of shaken baby syndrome, abusive head trauma, and child maltreatment;

(vii) Emergency preparedness and response planning for emergencies resulting from a natural disaster, or a man-caused event (such as violence at a child care facility), within the meaning of those terms under section 602(a)(1) of the Robert T. Stafford Disaster Relief and

Emergency Assistance Act (42 U.S.C. 5195a(a)(1)) that shall include procedures for evacuation, relocation, shelter-in-place and lock down, staff and volunteer emergency preparedness training and practice drills, communication and reunification with families, continuity of operations, and accommodation of infants and toddlers, children with disabilities, and children with chronic medical conditions;

(viii) Handling and storage of hazardous materials and the appropriate disposal of biocontaminants;

(ix) Appropriate precautions in transporting children, if applicable;

(x) Pediatric first aid and cardiopulmonary resuscitation; (xi) Recognition and reporting of child abuse and neglect, in accordance with the requirement in paragraph (e) of this section; and

(xii) May include requirements relating to:

(A) Nutrition (including age-appropriate feeding);

(B) Access to physical activity;

(C) Caring for children with special needs; or

(D) Any other subject area determined by the Lead Agency to be necessary to promote child development or to protect children's health and safety.

(2) Include minimum health and safety training on the topics above, as described in § 98.44.

(b) Lead Agencies may not set health and safety standards and requirements other than those required in paragraph (a) of this section that are inconsistent with the parental choice safeguards in § 98.30(f).

(c) The requirements in paragraph (a) of this section shall apply to all providers of child care services for which assistance is provided under this part, within the area served by the Lead Agency, except the relatives specified at §98.42(c).

(d) Lead Agencies shall describe in the Plan standards for child care services for which assistance is provided under this part, appropriate to strengthening the adult

and child relationship in the type of child care setting involved, to provide for the safety and developmental needs of the children served, that address:

- (1) Group size limits for specific age populations;
- (2) The appropriate ratio between the number of children and the number of caregivers, in terms of age of children in child care; and
- (3) Required qualifications for caregivers in child care settings as described at §98.44(a)(4).
  - (e) Lead Agencies shall certify that caregivers, teachers, and directors of child care providers within the State or service area will comply with the State's, Territory's, or Tribe's child abuse reporting requirements as required by section 106(b)(2)(B)(i) of the Child Abuse and Prevention and Treatment Act (42 U.S.C. 5106a(b)(2)(B)(i)) or other child abuse reporting procedures and laws in the service area.

CCDF State Plan for Federal Fiscal Year 2019-2021, states, in part:

## 5.2 Health and Safety Standards and Requirements for CCDF Providers

### 5.2.2 Health and safety standards for CCDF providers

- a) 1. The parent and provider must complete, sign and return to DCYF an in-home Health and Safety agreement.

### 5.2.3 Health and safety training for CCDF providers on required topics

- a) 3. In-home care:

Non-relative FFN providers must complete pediatric CPR/First Aid training (4-6 hours), and training on all other health and safety topics (2-4 hours), within 90 days of their authorization begin date.

### 5.2.4 Provide the minimum number of annual training hours on health and safety topics for caregivers, teachers, and directors required for the following.

- c) In-home care:

Nonrelative FFN providers receive ongoing health and safety training as part of their annual health and safety visit. The ongoing training is based on health and safety topics that the provider requests more information on and areas of need as determined by the annual visit, and typically will be 2-4 hours per year.

## 5.3 Monitoring and Enforcement Policies and Practices for CCDF Providers

### 5.3.3 Inspections for license-exempt CCDF providers

- c) Nonrelative FFN providers are required to receive announced monitoring annually on all health and safety and fire safety topics described in plan.

WAC 110-16-0030 Health and safety activities, states:

(1) Providers not related to the child as described in WAC 110-16-0015 (4)(c), must comply with the following health and safety activity requirements:

- (a) Complete the Parent and FFN Provider Health and Safety Agreement; and
- (b) Participate in an annual, scheduled visit in the child's home. If necessary, as determined by the department, follow-up visits may occur on a more frequent basis.

(2) The Parent and FFN Provider Health and Safety Agreement must:

- (a) Be signed by the provider and parent(s) and verify that the parent(s) and provider discussed and reviewed all of the topics and subject matter items contained in the agreement. The subject matter items include, but are not limited to: Prevention of shaken baby syndrome, abusive head trauma, and child maltreatment; emergency contacts; fire and emergency prevention; knowledge and treatment of children's illnesses and allergies; developmental and special needs; medication administration; safe transportation; child immunizations; and safe evacuation; and
- (b) Be received by the department within forty-five days of completion of the training requirements in WAC 110-16-0025 (2)(a) or verification of the training exemption in WAC 110-16-0025 (2)(b).

(3) The purpose of the annual, scheduled visit in the child's home is to:

- (a) Provide technical assistance to the provider regarding the health and safety requirements described in this chapter;
- (b) Observe the provider's interactions with the child, and discuss health and safety practices;
- (c) Provide written information and local resources about child development to include the major domains of cognitive, social, emotional, physical development, and approaches to learning; and
- (d) Provide regional contact information for FFN child care services and resources.

(4) If the department is not able to successfully complete a scheduled visit with the provider in the child's home after three attempts, the provider will be deemed not in compliance with the requirements of this chapter.

(5) At the annual, scheduled visit, the provider must show:

- (a) Proof of identity;
- (b) Proof of current certification for first aid and cardiopulmonary resuscitation (CPR) in the form of a card, certificate, or instructor letter;
- (c) Proof of vaccination against or acquired immunity for vaccine-preventable diseases for all children in care, if the provider's children are on-site at any time with the eligible children. Proof can include:
  - (i) A current and complete department of health certificate of immunization status (CIS) or certificate of exemption (COE) or other department of health approved form; or
  - (ii) A current immunization record from the Washington state immunization information system (WA IIS).
- (d) Written permission from the parent to:
  - (i) Allow children to use a swimming pool;
  - (ii) Administer medication for treatment of illnesses and allergies of the children in care;
  - (iii) Provide for and accommodate developmental and special needs; and
  - (iv) Provide transportation for care, activities, and school when applicable.
- (e) The written home evacuation plan required in WAC 110-16-0035 (4)(c).

Policy 10.1.8 Conducting Child Care Monitoring Visits, states, in part:

1. DCYF Must Monitor Early Learning Program Not Less Than Annually Per Federal Requirements Except When A Program Is On Inactive Status Monitoring visits must occur at least once every fiscal year. Staff may do a monitoring visit at any time during the year...
2. Annual Monitoring Visit Due Dates Follow DCYF's Fiscal Year

Procedure 10.1.21 Managing Child Care Inspection Reports, states, in part:

Licensors determine if health and safety recheck is required. If an issue of non-compliance is corrected during the licensing visit, a compliance verification for that specific WAC is not required.

- Immediate Concerns must verify compliance on site as soon as possible but no later than 10 business days from date of non-compliance. Discuss recheck schedule with Supervisor.
- Short Term Concerns must verify compliance within 15 business days from date of non-compliance.

Long Term Concerns do not require a licensor recheck.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, and paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.



**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-040 The Department of Children, Youth, and Families did not have adequate internal controls to ensure payments to providers for travel and family visits were allowable and adequately supported for the Foster Care program.**

<b>CFDA Number and Title:</b>	93.658 Foster Care Title IV-E 93.658 COVID-19 Foster Care Title IV-E
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2002WAFOST; 2102WAFOST
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs/Cost Principles
<b>Known Questioned Cost Amount:</b>	None

### *Background*

The federal Foster Care Title IV-E (Foster Care) program helps states provide safe and stable out-of-home care for children under the jurisdiction of the state's child welfare agency until the children are returned home, placed with adoptive families, or placed in other planned, permanent arrangements. The program provides funds to reduce the costs of foster care for eligible children, reduce administrative costs to manage the program, and provide training for the adults in the Foster Care program, including state agency staff, foster parents and certain private agency staff.

In Washington, the Department of Children, Youth, and Families (Department) administers the Foster Care program. During fiscal year 2021, the Department spent about \$121 million in federal grant funds, including approximately \$4.4 million dollars for travel and family visits.

Parent-child visits are a key strategy for minimizing a child's time in out-of-home care and working toward family reunification. The Department creates a visit plan based on court documents and other information to ensure the safety of the child. The Department uploads all visit plans to an electronic database system called Sprout where cases are assigned to a provider and sent to subcontractors. When travel is completed, the subcontractors send visit reports to the provider, who then uploads them into Sprout at summary level. The Department pays the provider

solely based on the summary level information it enters into Sprout. The Department conducts periodic fiscal monitoring of providers to verify payments are accurate and adequately supported.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Department did not have adequate internal controls to ensure payments to providers for travel and family visits were allowable and adequately supported for the Foster Care program.

The Department did not follow its procedures for performing fiscal monitoring of foster care service providers to ensure federally funded payments for travel and family visits were adequately supported and only for allowable activities.

We consider this internal control deficiency to be a significant deficiency.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

Management decided not to perform fiscal monitoring of the Department's providers due to the COVID-19 pandemic.

### ***Effect of Condition***

By not performing fiscal monitoring, the Department cannot ensure payments for travel and family visits are allowable and adequately supported.

### ***Recommendation***

We recommend the Department follow its fiscal monitoring procedures to ensure payments to providers for travel and family visits are allowable and adequately supported.

### ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges, and supports the State Auditor's Office's (SAO) mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develops strategies to make government more efficient and effective.*

*The Department is committed to strengthening internal controls and complying with grant requirements. The Department will work with Financial and Business Services Division and*

*Foster Care Program to review the fiscal monitoring procedures to ensure payments to providers for travel and family visits are allowable and adequately supported.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-041** The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with federal requirements to ensure indirect costs charged to the Foster Care program were allowable.

<b>CFDA Number and Title:</b>	93.658 Foster Care Title IV-E 93.658 COVID-19 Foster Care Title IV-E
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2002WAFOST; 2102WAFOST
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs / Cost Principles
<b>Known Questioned Cost Amount:</b>	\$16,289,333

### *Background*

In Washington, the Department of Children, Youth, and Families (Department) administers the Foster Care program. The federal government's share of all costs incurred by or allocated to the Department can be charged to the federal grants. As a condition of receiving federal grant funds, the Department must submit a Public Assistance Cost Allocation Plan (PACAP) to the U.S. Department of Health and Human Services (DHHS) each state fiscal year.

The PACAP describes how the Department allocates its administrative costs to all funding sources, including federal grants. If the state amends its PACAP and fails to submit it to DHHS, the costs will be disallowed.

The Department uses the Cost Allocation System (CAS), a subsystem of the Agency Financial Reporting System (AFRS), to execute its PACAP. The Department develops methodologies, including creating bases, which automatically distribute the cost of payments to either state, local or federal funding sources. The Department keeps records of these bases in workbooks, which management review and approve before uploading or keying them to AFRS for use.

As part of its cost allocation process, the Department uses bases to distribute costs to multiple funding sources. Each base consists of elements that are assigned a percentage that dictates how much of the original payment is allocated to it. For the costs to be allowable, each base must be included in the PACAP. The Department is required to submit an amended PACAP any time its cost allocation plan changes.

In fiscal year 2021, the Department used CAS to allocate approximately \$16.3 million in indirect costs to the Foster Care Title IV-E program.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with federal requirements to ensure indirect costs charged to the Foster Care program were allowable.

We reviewed the list of six bases the Department used to allocate costs to the Foster Care program during state fiscal year 2021 and found it did not include any of them in the approved PACAP.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

Management did not effectively monitor to ensure that the Department had included the six bases in the state fiscal year 2021 PACAP submission before charging costs to the Foster Care program.

### ***Effect of Condition and Questioned Costs***

We identified \$16,289,333 of indirect costs tied to the six bases that were not included in the state fiscal year 2021 PACAP submission that the Department improperly charged to the Foster Care Title IV-E program. By not complying with federal regulations, the Department risks having to repay federal funds or having future federal funds withheld.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

## ***Recommendations***

We recommend the Department:

- Strengthen internal controls to ensure it includes all bases in the approved PACAP
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.

## ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges and supports the State Auditor's Office's (SAO) mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develops strategies to make government more efficient and effective.*

*As of July 1, 2018, the Legislature created the Department of Children, Youth, and Families (DCYF) by combining the Children's Administration and the Department of Early Learning. The new agency assumed the responsibilities of managing the Foster Care program and created a PACAP to comply with federal regulations. The Cost Allocation and Grants Unit was under resourced due to vacancies and the hiring freeze during the time the original PACAP was established and submitted and the six bases were missed. As a newly established agency, the Department continues to work on documenting and refining internal control processes and procedures. The Department has been developing and refining internal controls to ensure that expenditures are properly allocated across the Department. The Department will verify all bases are included in the approved PACAP and communicate any updates or changes to DHHS in a timely manner.*

## ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and



- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs

on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

Title 45 *U.S. Code of Federal Regulations* (CFR), Subtitle A, Subchapter A, Part 95, *General Administration-Grant Programs*(*Public Assistance, Medical Assistance and State Children's Health Insurance Programs*, states in part:

**95.509** Cost allocation plan amendments and certifications.

- (c) The State shall promptly amend the cost allocation plan and submit the amended plan to the DCA Director when changes occur.
- (d) If a State has not submitted a plan or plan amendment during a given State fiscal year, an annual statement shall be submitted to the DCA Director certifying that it's approved cost allocation plan is not outdated. This statement shall be submitted within 60 days after the end of that fiscal year.

**95.517** Claims for Federal financial participation.

- (a) A State must claim FFP for costs associated with a program only in accordance with its approved cost allocation plan. However, if a State has submitted a plan or plan amendment for a State agency, it may, at its option claim FFP based on the proposed plan or plan amendment, unless otherwise advised by the DCA. However, where a State has claimed costs based on a proposed plan or plan amendment the State, if necessary, shall retroactively adjust its claims in accordance with the plan or amendment as subsequently approved by the Director, DCA. The State may also continue to claim FFP under its existing approved cost allocation plan for all costs not affected by the proposed amendment.

**95.519** Cost disallowance.

If costs under a Public Assistance program are not claimed in accordance with the approved cost allocation plan, or if the State failed to submit an amended cost allocation plan as required by §95.509, the costs improperly claimed will be disallowed.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-042 The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with some Public Assistance Cost Allocation Plan requirements.**

<b>CFDA Number and Title:</b>	93.658 Foster Care Title IV-E 93.658 COVID-19 Foster Care Title IV-E 93.659 Adoption Assistance 93.659 COVID-19 Adoption Assistance
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2002WAFOST; 2102WAFOST; 2002WAADPT; 2102WAADPT;
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs/Cost Principles
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Department of Children, Youth, and Families (Department) uses the Random Moment Time Study (RMTS) to allocate costs for its headquarters and regional operations to the proper state and federal programs.

Department staff generally work on multiple programs and cases throughout a workday, which makes maintaining a timesheet difficult and time consuming. The RMTS simplifies how the Department allocates the cost of time and effort to state and federal programs. The RMTS is a sampling tool that the Department uses to generate statistically valid statewide estimates of various activities employees have performed. The Department also uses a system called FamLink, which allows staff to work on client cases, document information, generate samples and compile RMTS results.

The Department's use of the RMTS is included in its Public Assistance Cost Allocation Plan (PACAP) with the federal grantor. The PACAP is approved annually and outlines the general operating policies and procedures that the RMTS staff must follow.

For the RMTS to properly calculate the percentages of activities Department staff have performed, it must start by identifying a sampling universe that is accurate and complete. The sampling universe lists the eligible worker types to be included and is updated monthly to ensure all eligible workers are included in the sample. The RMTS Coordinators and RMTS Headquarters (HQ) are responsible for keeping the list of sample workers current.

To ensure the sample worker population is complete, the RMTS HQ runs the worker report, filters it, and then communicates the report to the RMTS Coordinators to verify proper workers are included, excluded, or documented with the right worker type to maintain an accurate RMTS population. The RMTS Coordinators send the RMTS HQ emails informing them of the changes that need to be made to assigned workers and the unassigned workers. The RMTS HQ will then update the workers profiles in FamLink as updates come in.

Sampled workers are responsible for completing an accurate and timely RMTS sample within three business days. The RMTS HQ performs a quality control review of all completed samples to ensure staff are completing them correctly. At the end of the month, the Department uses FamLink to summarize the sample results for the month. The results are then compiled and used to fill out the Cost Allocation Base Data Input Sheets for each RMTS base. The results are then entered into the Cost Allocation System (CAS).

During fiscal year 2021, the Department used the RMTS to allocate about \$52.7 million to the Foster Care-Title IV-E and Adoption Assistance programs.

Federal regulations require recipients to establish and follow internal controls that ensure compliance with program requirements. These controls include understanding program requirements and monitoring the effectiveness of established controls.

In the prior two audits, we reported the Department did not have adequate internal controls over and did not comply with some PACAP requirements. The prior finding numbers are 2020-044 and 2019-044.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with some PACAP requirements.

We randomly selected five out of the 12 monthly employee updates to determine whether the sampling universe was complete.

### *RMTS HQ*

The RMTS HQ Program Manager is responsible for creating monthly employee reports that show current staff who are in the sampling population, as well as a report of employees who may be RMTS eligible. The Program Manager forwards these reports to the RMTS Coordinators asking

for updates of employees on each report. Once the Program Manager receives the RMTS Coordinators' responses, the Program Manager updates FamLink to ensure the sampling universe is complete.

For two of the five sampled months that we examined, we found the Department did not have documentation to support that it had ensured the RMTS sampling universe was complete. For one month, the Department was unable to provide the monthly employee reports or documentation of the communication of those reports to the RMTS Coordinators. For the second month, the Department was able to provide the monthly employee reports, but not evidence that it forwarded them to the RMTS Coordinators for updating.

#### *RMTS Coordinators*

The RMTS Coordinators receive reports from the Program Manager asking for updates on employees in the reports. The RMTS Coordinators review the reports and send updates to the Program Manager so the RMTS HQ can make updates in FamLink to ensure the sampling universe is complete. For one of the five sampled months we examined, the Department was unable to provide evidence that the RMTS Coordinators sent updates to the RMTS HQ to ensure the worker population was complete.

Additionally, for four of the five months we examined, the Department did not ensure all RMTS-eligible employees were included in the sampling universe. The sampling universe was also not completely updated for four of the five months we examined.

#### *RMTS results updated incorrectly in the Cost Allocation System*

The Department uses FamLink to summarize the results of all RMTS samples for a given month. The RMTS HQ then export this data to an Excel file summarizing the results for all codes. The Department then uses these results to fill out the Cost Allocation Base Data Input Sheets for the RMTS bases. Each base corresponds to a specific group of employees. This information is transmitted to the Cost Allocation and Grants Management Unit, which enters the information into the automated Cost Allocation System.

We examined five of the 12 base edit workbooks that staff created during the fiscal year. For two of the months we examined, there was no evidence that the Department reviewed the base edit workbooks and updates made to the automated CAS cost allfor accuracy.

We also examined the Base Data Input Sheets to determine if Cost Allocation and Grants Management Unit staff updated them correctly in CAS. For the five months we examined, we found that staff did not correctly update four months in accordance with the Department's procedures.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

Management said that limited staffing resources and information technology challenges affected the Department's ability to ensure timely entry and documentation of information, as well as the ability to ensure the RMTS Coordinators sent timely updates to the RMTS HQ Program Manager. Additionally, management did not monitor sufficiently to ensure compliance with PACAP requirements.

### ***Effect of Condition***

The Department's inadequate internal controls affected the integrity of its RMTS sampling universe. An erroneous sample could cause the costs the Department has charged to federally funded programs for its headquarters and regional operations to be unallowable, according to the PACAP.

Additionally, when staff incorrectly enter RMTS results into the base edit workbooks, the Cost Allocation System will incorrectly allocate the cost of salaries and benefits to state and federal programs. If the Department charged unallowable or unsupported costs to federal programs, federal grantors could seek repayment for those costs.

The Department used the RMTS to charge \$47,791,692 in payroll costs to the Foster Care-Title IV-E program and \$4,988,320 in payroll costs to the Adoption Assistance program.

### ***Recommendations***

We recommend the Department:

- Ensure staff follow its own established procedures to ensure RMTS sampling populations are accurate and complete
- Address the information technology challenges that prevented the RMTS Coordinators from sending timely updates to the RMTS HQ Program Manager
- Monitor to ensure that Cost Allocation and Grants Management Unit staff correctly update RMTS results into the Cost Allocation System

### ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges, and supports the State Auditor's Office's (SAO) mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develops strategies to make government more efficient and effective.*

*The Department does not concur with the Effect of the Condition that the sampling universe is inaccurate or incomplete. There is not a deficiency with the integrity of the RMTS sample, however*



*we acknowledge that the bases were not updated timely in Agency Financial Reporting System (AFRS) due to staffing and information technology challenges for two months during the audit period.*

*The Department maintains that we are in compliance with the RMTS instructions related to the sampling universe that are included in the federally approved Public Assistance Cost Allocation Plan (PACAP). The audit scope expanded beyond the approved process within the RMTS instructions and federal requirements.*

*To provide some additional background, there is a high turnover rate of staff within the cost pools. That coupled with system limitations regarding departing workers associated to active cases prevents the immediate removal of staff from previously sent RMTS samples and responses. To address this systemic issue; faced by most states, the Department performs a 100% review of the RMTS sample responses to ensure the accuracy of responses and any staff changes within the cost pools are updated. If a sample is received by a social worker that no longer holds the position, the sample is coded based on the most currently approved RMTS codes. Further, the Department oversamples cost pools to ensure statistical validity is met while considering staffing changes. The Department's error rate is less than +/- 1%, far below the required +/- 5% for Title IV-E.*

*Further, communication with the Regional Coordinators occurs regularly and cost pools are updated within the parameters identified within the RMTS instructions. For these reasons, the Department maintains the position that the sampling universe complies with federal regulations and the RMTS instructions in the most current approved PACAP.*

*The Department is currently negotiating a contract with the University of Massachusetts, effective October 2022, for the design and implementation of RMTS mechanism, which is a federally approved cost allocation methodology, to accurately claim allowable federal funds and update RMTS instructions for the new quarterly process. These changes will address the auditor's concerns around the internal controls related to the RMTS population. In addition, the Department will review base edit form procedures with staff and verify changes are entered and reviewed in AFRS timely.*

### ***Auditor's Remarks***

Our audit procedures were designed to determine whether the Department charged only allowable costs to federal grants in compliance with their approved PACAP and federal law. 2 CFR 200.430 requires the sampling universe include all of the employees whose salaries and wages are to be allocated based on sample result, the entire time period involved must be covered by the sample and that the results must be statistically valid and applied to the period being sampled. During the audit period, the Department did not ensure the sampling universe was complete and therefore was not compliant with federal law.

We reaffirm our finding, and we will follow up on the Department’s corrective action during the next audit.

### ***Applicable Laws and Regulations***

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.430 Compensation-personal services, states in part:

- (5) For states, local governments and Indian tribes, substitute processes or systems for allocating salaries and wages to Federal awards may be used in place of or in addition to the records described in paragraph (1) if approved by the cognizant agency for indirect cost. Such systems may include, but are not limited to, random moment time sampling, “rolling” time studies, case counts, or other quantifiable measures of work performed.
  - (i) Substitute systems which use sampling methods (primarily for Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:

- (A) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in paragraph (i)(5)(iii) of this section;
  - (B) The entire time period involved must be covered by the sample; and
  - (C) The results must be statistically valid and applied to the period being sampled.
- (ii) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable
  - (iii) Less than full compliance with the statistical sampling standards noted in subsection (5)(i) may be accepted by the cognizant agency for indirect costs if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the non-Federal entity will result in lower costs to Federal awards than a system which complies with the standards.
- (6) Cognizant agencies for indirect costs are encouraged to approve alternative proposals based on outcomes and milestones for program performance where these are clearly documented. Where approved by the Federal cognizant agency for indirect costs, these plans are acceptable as an alternative to the requirements of paragraph (i)(1) of this section.
  - (7) For Federal awards of similar purpose activity or instances of approved blended funding, a non-Federal entity may submit performance plans that incorporate funds from multiple Federal awards and account for their combined use based on performance-oriented metrics, provided that such plans are approved in advance by all involved Federal awarding agencies. In these instances, the non-Federal entity must submit a request for waiver of the requirements based on documentation that describes the method of charging costs, relates the charging of costs to the specific activity that is applicable to all fund sources, and is based on quantifiable measures of the activity in relation to the time charged.
  - (8) For a non-Federal entity where the records do not meet the standards described in this section, the Federal Government may require personnel activity reports, including prescribed certifications, or equivalent documentation that support the records as required in this section.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:

- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
- (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Department of Children Youth and Families Public Assistance Cost Allocation Plan, RMTS Program Instructions, page 37, states in part:

Headquarters RMTS staff shall be responsible for the following actions:

Overseeing the system's monthly batching of new samples which includes three variables:

- Random Moment Starting Time
- Random Interval Time Random
- Employee List

The Headquarters RMTS Staff work with the RMTS Coordinators in order to keep the list of sampled workers current. Worker employment status changes should be reported by the social workers' supervisors to RMTS Coordinators. In addition, HQ Staff need to verify that each worker has an RMTS Worker Type associated with him or her and an RMTS Group linking the worker to his or her coordinator.

The Regional RMTS Coordinator shall be responsible for the following actions:

Notify HQ RMTS Staff of any updates to their worker list when there is any change in employment status of a worker participating in the RMTS survey within five working days of change. In addition, the coordinator needs to provide HQ RMTS Staff with an appropriate RMTS Worker Type code for each worker added to the system.

## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### State of Washington July 1, 2020 through June 30, 2021

#### **2021-043 The Department of Children, Youth and Families improperly charged \$1,850 in benefits to the Foster Care Title IV-E program.**

<b>CFDA Number and Title:</b>	93.658 Foster Care – Title IV-E 93.658 COVID-19 Foster Care – Title IV-E
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2002WAFOST; 2102WAFOST
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Eligibility
<b>Known Questioned Cost Amount:</b>	\$1,850

#### ***Background***

The federal Foster Care Title IV-E (Foster Care) program helps states provide safe and stable out-of-home care for children under the jurisdiction of the state's child welfare agency until the children are returned home, placed with adoptive families, or placed in other planned, permanent arrangements. The program provides funds to reduce the costs of foster care for eligible children, reduce administrative costs to manage the program, and provide training for the adults in the Foster Care program, including state agency staff, foster parents and certain private agency staff.

To be eligible to receive foster care benefits a child must meet specific eligibility requirements including the former Aid to Families with Dependent Children (AFDC) criteria. To meet the AFDC criteria, the child must be both a needy child and a child who is deprived of parental support or whose principal wage earner parent is unemployed.

In Washington, the Department of Children, Youth, and Families (Department) administers the Foster Care program. During fiscal year 2021, the Department spent about \$121 million in federal grant funds for the Foster Care Title IV-E program.

### ***Description of Condition***

The Department improperly charged \$1,850 in benefits to the Foster Care Title IV-E program.

We found the Department had adequate internal controls to ensure it materially complied with eligibility requirements. We used a statistical sampling method to randomly select and examine 58 out of 1,199 children to determine whether they were eligible for the Foster Care program. We found one child who was not eligible, but for whom the Department paid \$1,850 in benefits on behalf of using Foster Care program funds. We are questioning these costs.

Federal regulations require the auditor to issue a finding when the known or estimated questioned costs identified in a single audit exceed \$25,000. We are issuing this finding because, as stated in the Effect of Condition and Questioned Costs section of this finding, the estimated questioned costs exceed that threshold.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

The Department incorrectly applied AFDC income eligibility rules resulting in an ineligible case being charged to federal grant funds.

### ***Effect of Condition and Questioned Costs***

The Department improperly determined eligibility for one individual leading to known questioned costs of \$1,850 dollars, which led to likely questioned costs of \$38,242.

Our sampling methodology meets statistical sampling criteria under generally accepted auditing standards in AU-C 530.05. It is important to note that the sampling technique we used is intended to support our audit conclusions by determining if expenditures complied with program requirements in all material respects. Accordingly, we used an acceptance sampling formula designed to provide a high level of assurance, with a 95 percent confidence of whether exceptions exceeded our materiality threshold. Our audit report and finding reflects this conclusion. However, the likely improper payment projections are a point estimate and only represent our “best estimate of total questioned costs” as required by 2 CFR 200.516(3).

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendation***

We recommend the Department consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.

## ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges, and supports the State Auditor's Office's (SAO) mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develops strategies to make government more efficient and effective.*

*The Department concurs with the finding. Upon validating the exception, the Department took immediate action to change the source of funds for the child from federal to state dollars in the FamLink application. In addition, the Department returned the federal portion of all payments made on behalf of the child to the grantor.*

## ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.



- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

The *State Plan for Title IV-E, Section 2. Foster Care Maintenance Payments* states in part:

d. who:

i. Either:

- A. received AFDC, in the home referred to in section 472(a)(1), under the State plan approved under section 402 of the Act (as in effect (7/16/96) in or for the month in which either a voluntary placement agreement was entered into or court proceedings leading to the judicial determination, referred to in section 472(a)(2)(A) of the Act, were initiated;
  - B. would have received AFDC, in the home, in or for such month referred to in above clause if application for such aid had been made; or
  - C. had been living with a relative specified in section 406(a) of the Act (as in effect 7/16/96) within six months prior to the month in which a voluntary placement agreement was entered into or court proceedings leading to the judicial determination, referred to in section 472(a)(2)(A) of the Act, were initiated, and would have received AFDC in or for such month if the child had been living in the home with such relative and an application had been made for AFDC under title IV-A of the Act; and
- ii. had resources (determined under section 402(a)(7)(B) of the Act as in effect 7/16/96) that had a combined value of not more than \$10,000 consistent with section 472(a)(3)(B) of the Act; or
  - iii. Is not required to meet the AFDC requirements in 472(a)(3) of the AFDC requirements in 472(a)(3) of the Act because the child is placed with a parent residing in a licensed residential family-based substance abuse treatment facility(Tribes, see section 7 for related requirements in section 479B(c)(1)(C)(ii)(II) of the Act.)

The Department's Title IV-E desk guide states in part:

The AFDC financial need determination consists of two separate determinations, **income** eligibility and **resource** eligibility. In order to meet **financial need**:

- Total gross countable income of the **assistance unit** must not exceed the gross income (185%) standard for the number of individuals in the AU; and
- Total net countable income of the AU must not exceed the net income (100%) standard for the number of individuals in the AU; and
- Total countable resources of the assistance unit must be less than \$10,000

## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### State of Washington July 1, 2020 through June 30, 2021

#### **2021-044 The Department of Children, Youth, and Families did not have adequate internal controls over its process to allocate the Adoption Assistance program expenditures to federal grants.**

<b>CFDA Number and Title:</b>	93.659 Adoption Assistance 93.659 COVID-19 Adoption Assistance
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2002WAADPT, 2102 WAADPT
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Matching
<b>Known Questioned Cost Amount:</b>	None

#### ***Background***

The Adoption Assistance program (program) provides federal matching funds to states that provide ongoing subsidy and/or non-recurring payments to parents who adopt eligible children with special needs and enter into an adoption assistance agreement.

In Washington, the Department of Children, Youth, and Families (Department) administers the program to provide funding for parents who adopt eligible children with special needs. The program provides financial and medical benefits to qualified children. Adoptive parents can receive a monthly assistance payment from the Department to care for the children, in addition to expenses related to the initial placement of the child in the home, such as court fees, payments for medical visits and transportation costs.

Federal financial participation in state expenditures for the program is provided at various rates, and the Department must match federal grant funds locally. The program provides for the use of the applicable Federal Medical Assistance Percentages (FMAP) rate for allowable program expenditures. The Department assigns specific expenditure coding that correlates to the applicable FMAPs for a particular type of expenditure.

The Department uses cost objective codes in the Cost Allocation System (CAS) to match every transaction with non-federal funds. The Department assigns a specific cost objective code to each transaction. When matching rates change, the Department uses edit forms to update the matching rate in the cost objective. According to Department policy, the person who edits the form must not

be the same person who prepares, approves or inputs the edit form into CAS. The edit form must be approved before being input into CAS to ensure that the Department claims only the federal percentage of expenditures. Staff must review the information input into CAS to ensure it is correct.

In fiscal year 2021, the Department spent about \$58.6 million in federal funding for the Adoption Assistance program and about \$48 million in state funds.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported the Department did not have adequate internal controls over its process to allocate the Adoption Assistance program expenditures to federal grants. The prior finding number was 2020-045.

### *Description of Condition*

The Department did not have adequate internal controls over its process to allocate the Adoption Assistance program expenditures to federal grants.

The Department edits CAS when changes to matching rates become necessary. The Department created five cost objectives during fiscal year 2021. We reviewed the supporting documentation the Department used to create the five cost objectives and found three instances when staff did not properly review and approve the federal percentages entered to ensure they were correct.

We consider this internal control deficiency to be a material weakness, which may lead to material noncompliance.

### *Cause of Condition*

Management said the Department processed these three cost objectives before implementing changes in response to the prior audit finding.

### *Effect of Condition*

By not establishing adequate internal controls, the Department faces increased risk that it will not properly allocate costs to the federal government. Improper allocations could lead to improper payments, for which grantors could seek reimbursement from the Department.

## ***Recommendation***

We recommend the Department follow its established policy and:

- Ensure management reviews edit forms
- Ensure duties are segregated, with different people preparing, reviewing, and entering the edit forms

## ***Department's Response***

*The Department is committed to strengthening internal controls and complying with grant requirements. In response to the previous audit finding, in October 2020 the Department established a workflow for segregating duties to strengthen internal controls over processing cost allocation edit forms and ensure approvals and reviews in all steps of the process. The three instances noted by the auditor where all changes made on one edit form entered in September 2020, prior to the new work flow being implemented. All samples reviewed after October 2020 had documentation of approval and review per the new process.*

## ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### State of Washington July 1, 2020 through June 30, 2021

#### **2021-045 The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with level of effort requirements for the Adoption Assistance program.**

<b>CFDA Number and Title:</b>	93.659 Adoption Assistance 93.659 COVID-19 Adoption Assistance
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2002WAADPT; 2102WAADPT
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Level of Effort
<b>Known Questioned Cost Amount:</b>	None

#### ***Background***

The Adoption Assistance program is administered at the federal level by the Children’s Bureau, Administration on Children, Youth and Families, Administration for Children and Families (ACF), a component of the U.S. Department of Health and Human Services (HHS). Since federal fiscal year 2010, the Title IV-E Adoption Assistance program has provided eligibility provisions for any child who meets the expanded eligibility criteria that resulted in more children being determined as eligible for Title IV-E. The increased eligibility allows states to receive additional federal funding for adoption, thereby allowing them to reduce the level of nonfederal funds they use for these services. The reduction in nonfederal spending is referred to as “adoption savings.”

Beginning in federal fiscal year 2015, each Title IV-E agency must annually calculate and report on the amount of any adoption savings, how savings are spent, and on what services. Agencies must use their adoption savings to expand services that may be provided under Title IV-B or IV-E programs. Additionally, agencies must spend no less than 30 percent of the savings on post-adoption services, post-guardianship services, and services to support positive outcomes for children at risk of entering foster care. Agencies must also spend at least two-thirds of this 30 percent on post-adoption and post-guardianship services.

In Washington, the Department of Children, Youth, and Families (Department) administers the Adoption Assistance program to encourage people to adopt children out of the foster care system.

The program supports approximately 18,000 children and 10,000 families. In fiscal year 2021, the Department spent about \$58.6 million in federal funding.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Department did not have adequate internal controls over and did not comply with level of effort requirements for the Adoption Assistance program.

The Department reported to the federal government it spent \$1,353,842 of the adoption savings during the audit period. However, the Department only had documentation to support \$111,839 of adoption savings expenditures.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

The Department split the responsibility for tracking and managing adoption savings expenditures between Child Welfare Program and Cost Allocation and Grant Management Unit staff. Coordination between these areas was insufficient for ensuring that staff maintained accounting records to verify adoption savings expenditures. After the audit period, the Department created a new position responsible for managing the adoption savings program.

We also determined the Department did not have policies or procedures to monitor its compliance with the program's level of effort requirements.

### ***Effect of Condition***

The grant agreement allows the grantor to take action for the Department's noncompliance. This can include temporarily withholding funds, wholly or partly suspending or terminating the award, and withholding further awards from the program.

### ***Recommendations***

We recommend the Department:

- Develop and implement written policies and procedures to properly track adoption savings spending
- Strengthen management oversight to ensure it complies with level of effort requirements



## ***Department's Response***

*The Department of Children, Youth, and Families appreciates, acknowledges, and supports the State Auditor's Office's (SAO) mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develops strategies to make government more efficient and effective.*

*As stated in the Cause of Condition, the Department created a new position to manage the adoption saving program and hired for the position in February 2022. In May 2022, the Department revised the CB-496 Annual Adoption Savings report for federal fiscal year 2020 and submitted the corrected report to the Administration for Children and Families (ACF). The Department has established reoccurring meetings with impacted staff prior to and after the submission of the CB-496 financial report and reviewed the written procedures for federal adoption savings expenditure requirements and tracking. The Department will continue to take the necessary steps to improve our internal controls and accuracy in our financial reporting.*

## ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will review the status of the Department's corrective action during our next audit.

## ***Applicable Laws and Regulations***

42 U.S. Code § 673 - Adoption and guardianship assistance program

(a) Agreements with adoptive parents of children with special needs; State payments; qualifying children; amount of payments; changes in circumstances; placement period prior to adoption; nonrecurring adoption expenses

(8)

(A) A State shall calculate the savings (if any) resulting from the application of paragraph (2)(A)(ii) to all applicable children for a fiscal year, using a methodology specified by the Secretary or an alternate methodology proposed by the State and approved by the Secretary.

(B) A State shall annually report to the Secretary—

(i) the methodology used to make the calculation described in subparagraph (a), without regard to whether any savings are found;

(ii) the amount of any savings referred to in subparagraph (A); and

(iii) how any such savings are spent, accounting for and reporting the spending separately from any other spending reported to the Secretary under part B or this part.

(C) The Secretary shall make all information reported pursuant to subparagraph (B) available on the website of the Department of Health and Human Services in a location easily accessible to the public.

(D)

(i) A State shall spend an amount equal to the amount of the savings (if any) in State expenditures under this part resulting from the application of paragraph (2)(A)(ii) to all applicable children for a fiscal year, to provide to children of families any service that may be provided under part B or this part. A State shall spend not less than 30 percent of any such savings on post-adoption services, post-guardianship services, and services to support and sustain positive permanent outcomes for children who otherwise might enter into foster care under the responsibility of the State, with at least  $\frac{2}{3}$  of the spending by the State to comply with such 30 percent requirement being spent on post-adoption and post-guardianship services.

(ii) Any State spending required under clause (i) shall be used to supplement, and not supplant, any Federal or non-Federal funds used to provide any service under part B or this part.

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

(b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.

- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (7) Instances where the results of audit follow-up procedures disclosed that the summary schedule of prior audit findings prepared by the auditee in accordance with §200.511. Audit findings follow-up, paragraph (b) materially misrepresents the status of any prior audit findings.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person

performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### State of Washington July 1, 2020 through June 30, 2021

#### **2021-046 The Health Care Authority did not have adequate internal controls to ensure clients were eligible for the Children's Health Insurance Program.**

<b>CFDA Number and Title:</b>	93.767 Children's Health Insurance Program 93.767 COVID-19 Children's Health Insurance Program
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2005WA5021, 2105WA5021
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Eligibility
<b>Known Questioned Cost Amount:</b>	\$10,244

#### ***Background***

The Health Care Authority (Authority) administers the Children's Health Insurance Program (CHIP). CHIP is a jointly funded state and federal partnership providing insurance coverage for more than 50,000 children in families with incomes too high to qualify for Medicaid. Federal CHIP financing is capped, and each state operates under an allotment. During fiscal year 2021, the Authority spent more than \$384 million in state and federal funds to administer CHIP, with over \$157 million being federal.

To determine initial eligibility for CHIP, families must complete an application in the Washington Health Benefit Exchange, known as HealthPlan Finder, or through a streamlined paper application. Once families complete their applications, electronic verification sources confirm their income, immigration status and Social Security Numbers (SSNs).

The Authority automatically reviews applicants' eligibility first for Medicaid and then for CHIP if they are ineligible for Medicaid. Children in low-income families who are ineligible for Medicaid are enrolled in CHIP under the state CHIP plan. Washington has also elected to cover the pre-natal period of some low-income pregnant women under the state CHIP plan.

CHIP clients must be either U.S. citizens or qualified noncitizens, and their eligibility is based on self-attested income in their applications; therefore, clients with verified citizenship and SSNs would be determined eligible if their reported income was between 210% and 312% of the federal poverty level.

Once the Authority determines clients' initial eligibility, their start date is recorded as the first of the month in which their application was submitted, thus allowing for payments prior to approval

to be processed after the fact. Children found eligible for medical assistance remain continuously eligible for a full 12 months, regardless of any changes in their household income or third-party liability. Households must report financial and nonfinancial changes, but these will not render them ineligible during the continuous eligibility period. However, if recipients' household income decreases, the Authority can move children to a more favorable program, such as Medicaid, to eliminate the premium payment requirements. Termination during the continuous eligibility period is acceptable only for the following reasons:

- Changes in residency (permanent move out of state)
- Death
- Fraud (unless it is going to prosecution)
- Failure to pay the premium in excess of three months
- The child turns 19 years old (remains eligible through the end of their birth month)
- After the end of the month in which the 60-day postpartum period ends for pregnant women
- When a client requests to be removed from the program

In response to the COVID-19 pandemic, the Center for Medicare and Medicaid Services (CMS) approved waivers and disaster relief state plan amendments (SPA), effective March 1, 2020, through the end of the public health emergency declaration, allowing flexibilities to ensure the continuity of coverage through the public health emergency. The waivers and SPA allowed the Authority to implement flexibilities, including the following:

- Allow self-attestations for all eligibility requirements, excluding citizenship and immigration status, on a case-by-case basis
- Extend the redetermination timeline for current CHIP enrollees in the state to maintain continuity of coverage as permissible.

From the start of the pandemic, CMS kept an ongoing Frequently Asked Questions (FAQs) document to aid state Medicaid and CHIP agencies in their response to COVID-19, including guidance on eligibility, benefits and financing regarding the pandemic. This document was finalized on January 6, 2021.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Authority did not have adequate internal controls to ensure clients were eligible for CHIP.

We used a statistical sampling method to randomly select and examine 59 out of a total population of 89,527 clients who had a federally verified SSN.

We also used a statistical sampling method to randomly select and examine 59 out of a total population of 7,187 clients who did not have a federally verified SSN.

For the sample of clients who had a verified SSN, we identified:

- One instance where a client aged out of services and was not referred to HealthPlan Finder in order to be redetermined eligible for Medicaid during the COVID-19 pandemic as required.

For the sample of clients who did not have a federally verified SSN, we identified:

- One instance where the Authority did not ensure that a client had a valid SSN or appropriate citizenship to be eligible for CHIP services.
- Two instances where the Authority continued CHIP coverage for clients after the allowable postpartum period.

We consider this internal control deficiency to be a material weakness.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

During the pandemic there was changing guidance from CMS and the Authority chose not to remove clients from CHIP even when they aged out of coverage. In addition, the Authority claims a system alert generation error was the cause for the client who was missing a valid SSN and HCA staff were not notified by the system to follow-up on this SSN verification.

### *Effect of Condition and Questioned Costs*

By not having adequate internal controls, the Authority is at risk of not detecting or preventing ineligible payments of federal CHIP funds on behalf of recipients. We determined the following questioned costs:

<b>Audit Area</b>	<b>Known questioned costs (state and federal)</b>	<b>Known questioned costs – federal portion only</b>	<b>Likely improper payments (state and federal)</b>	<b>Likely improper payments – federal portion only</b>
Verified SSNs	\$3,992	\$3,992	\$6,058,049	\$6,058,049
Non-Verified SSNs	\$7,961	\$6,252	\$969,792	\$761,593
<b>Totals</b>	<b>\$11,953</b>	<b>\$10,244</b>	<b>\$7,027,841</b>	<b>\$6,819,642</b>

Our sampling methodology meets statistical sampling criteria under generally accepted auditing standards in AU-C 530.05. It is important to note that the sampling technique we used is intended to support our audit conclusions by determining if expenditures complied with program requirements in all material respects. Accordingly, we used an acceptance sampling formula designed to provide a high level of assurance, with a 95 percent confidence of whether exceptions exceeded our materiality threshold. Our audit report and finding reflects this conclusion. However, the likely improper payment projections are a point estimate and only represent our “best estimate of total questioned costs” as required by 2 CFR 200.516(3).

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Authority:

- Implement internal controls to ensure all clients meet CHIP eligibility requirements
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

### ***Authority’s Response***

*The Authority will work with its federal partners to understand the interpretation of claiming CHIP federal dollars when youth age out of the program and what is allowable. The policy information over the course of the public health emergency has changed several times and we will work to ensure clear policy guidance from CMS as Washington believes this policy could be supported by its CHIP disaster state plan or an 1115 waiver.*

*The Authority’s finance team will work to ensure it has internal processes in place during staff turnover events and that the journal vouchers are completed for any cases where CHIP dollars are used during the postpartum period.*

*The Authority’s eligibility team is working with the Department of Social and Health Services’ systems division to understand the system issue that caused alerts to not generate on cases where SSN verification needs follow up.*

### ***Auditor’s Remarks***

We thank the Authority for its cooperation and assistance throughout the audit. We will review the status of the Authority’s corrective action during our next audit.



## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.1 Definitions, states in part:

*Improper payment* means:

- 2) Any payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other *legally applicable* requirements.
  - (iv) Incorrect amounts are overpayments or underpayments that are made to eligible recipients (including inappropriate denials of payment or service, any payment that does not account for credit for applicable discounts, payments that are for an incorrect amount, and duplicate payments). An improper payment also includes any payment that was made to an ineligible recipient or for an ineligible good or service, or payments for goods or services not received (except for such payments authorized by law).

*Note 1 to paragraph (1)(i) of this definition.* Applicable discounts are only those discounts where it is both advantageous and within the agency's control to claim them.

- (v) When an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation, this payment should also be considered an improper payment. When establishing documentation requirements for payments, agencies should ensure that all documentation requirements are necessary and should refrain from imposing additional burdensome documentation requirements.
- (vi) Interest or other fees that may result from an underpayment by an agency are not considered an improper payment if the interest was paid correctly. These payments are generally separate transactions and may be necessary under certain statutory, contractual, administrative, or other legally applicable requirements.
- (iv) A “questioned cost” (as defined in this section) should not be considered an improper payment until the transaction has been completely reviewed and is confirmed to be improper.

- (v) The term “payment” in this definition means any disbursement or transfer of Federal funds (including a commitment for future payment, such as cash, securities, loans, loan guarantees, and insurance subsidies) to any non-Federal person, non-Federal entity, or Federal employee, that is made by a Federal agency, a Federal contractor, a Federal grantee, or a governmental or other organization administering a Federal program or activity.
- (vi) The term “payment” includes disbursements made pursuant to prime contracts awarded under the Federal Acquisition Regulation and Federal awards subject to this part that are expended by recipients.

(2) See definition of improper payment in OMB Circular A-123 appendix C, part I A (1) “What is an improper payment?” Questioned costs, including those identified in audits, are not an improper payment until reviewed and confirmed to be improper as defined in OMB Circular A-123 appendix C.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.

- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total

costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

Title 42 *U.S. Code of Federal Regulations (CFR) Public Health Part 435 Subpart J, Eligibility in the States and District of Columbia* establishes the following applicable requirements:

Section 435.926 Continuous eligibility for children, states in part:

(b) ***Eligibility.*** The agency may provide continuous eligibility for the period specified in paragraph (c) of this section for an individual who is:

- (1) Under age 19 or under a younger age specified by the agency in its State plan; and
- (2) Eligible and enrolled for mandatory or optional coverage under the State plan in accordance with subpart B or C of this part.

(c) ***Continuous eligibility period.***

- (1) The agency must specify in the State plan the length of the continuous eligibility period, not to exceed 12 months.
- (2) A continuous eligibility period begins on the effective date of the individual's eligibility under § 435.915 or most recent redetermination or renewal of eligibility under § 435.916 and ends after the period specified by the agency under paragraph (c)(1) of this section.

(d) ***Applicability.*** A child's eligibility may not be terminated during a continuous eligibility period, regardless of any changes in circumstances, unless:

- (1) The child attains the maximum age specified in accordance with paragraph (b)(1) of this section;
- (2) The child or child's representative requests a voluntary termination of eligibility;
- (3) The child ceases to be a resident of the State;
- (4) The agency determines that eligibility was erroneously granted at the most recent determination, redetermination or renewal of eligibility because of agency error or fraud, abuse, or perjury attributed to the child or the child's representative; or
- (5) The child dies.

Title 42 *Public Health* Part 457 establishes the following applicable requirements:

Section 457.342 Continuous eligibility for children, states in part:

- (a) A State may provide continuous eligibility for children under a separate CHIP in accordance with the terms of § 435.926 of this chapter, and subject to a child remaining ineligible for Medicaid, as required by section 2110(b)(1) of the Act and § 457.310 (related to the definition and standards for being a targeted low-income child) and the requirements of section 2102(b)(3) of the Act and § 457.350 (related to eligibility screening and enrollment).

Section 457.380 Eligibility verification.

- (a) General requirements. Except where law requires other procedures (such as for citizenship and immigration status information), the State may accept attestation of information needed to determine the eligibility of an individual for CHIP (either self-attestation by the individual or attestation by an adult who is in the applicant's household, as defined in § 435.603(f) of this subchapter, or family, as defined in section 36B(d)(1) of the Internal Revenue Code, an authorized representative, or if the individual is a minor or incapacitated, someone acting responsibly for the individual) without requiring further information (including documentation) from the individual.
- (b) Status as a citizen, national or a non-citizen.
  - (1) Except for newborns identified in § 435.406(a)(1)(iii)(E) of this chapter, who are exempt from any requirement to verify citizenship, the agency must –
    - (i) Verify citizenship or immigration status in accordance with § 435.956(a) of this chapter, except that the reference to § 435.945(k) is read as a reference to paragraph (i) of this section; and
    - (ii) Provide a reasonable opportunity period to verify such status in accordance with § 435.956(a)(5) and (b) of this chapter and provide benefits during such reasonable opportunity period to individuals determined to be otherwise eligible for CHIP.
  - (2) [Reserved]
- (c) State residents. If the State does not accept self-attestation of residency, the State must verify residency in accordance with § 435.956(c) of this chapter.
- (d) Income. If the State does not accept self-attestation of income, the State must verify the income of an individual by using the data sources and following standards and

procedures for verification of financial eligibility consistent with § 435.945(a), § 435.948 and § 435.952 of this chapter.

- (e) Verification of other factors of eligibility. For eligibility requirements not described in paragraphs (c) or (d) of this section, a State may adopt reasonable verification procedures, consistent with the requirements in § 435.952 of this chapter, except that the State must accept self-attestation of pregnancy unless the State has information that is not reasonably compatible with such attestation.
- (f) Requesting information. The terms of § 435.952 of this chapter apply equally to the State in administering a separate CHIP.
- (g) Electronic service. Except to the extent permitted under paragraph (i) of this section, to the extent that information sought under this section is available through the electronic service described in § 435.949 of this chapter, the State must obtain the information through that service.
- (h) Interaction with program integrity requirements. Nothing in this section should be construed as limiting the State's program integrity measures or affecting the State's obligation to ensure that only eligible individuals receive benefits or its obligation to provide for methods of administration that are in the best interest of applicants and enrollees and are necessary for the proper and efficient operation of the plan.
- (i) Flexibility in information collection and verification. Subject to approval by the Secretary, the State may modify the methods to be used for collection of information and verification of information as set forth in this section, provided that such alternative source will reduce the administrative costs and burdens on individuals and States while maximizing accuracy, minimizing delay, meeting applicable requirements relating to the confidentiality, disclosure, maintenance, or use of information, and promoting coordination with other insurance affordability programs.
- (j) Verification plan. The State must develop, and update as modified, and submit to the Secretary, upon request, a verification plan describing the verification policies and procedures adopted by the State to implement the provisions set forth in this section in a format and manner prescribed by the Secretary.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Plan Amendment Approval Letter from CMS dated July 15, 2020 states in part:

This letter is to inform you that your title XXI Children's Health Insurance Program (CHIP) state plan amendment (SPA), WA-20-0001, submitted on May 4, 2020, has been approved. This SPA has an effective date of March 1, 2020.

This amendment, as it applies to the COVID-19 public health emergency (PHE), makes the following changes beginning March 18, 2020, unless otherwise noted, through the duration of the Federally-declared PHE:

- Delay acting on changes in circumstances for CHIP beneficiaries other than the required changes in circumstances described in 42 CFR 457.342(a) cross-referencing 42 CFR 435.926(d);

*COVID-19 Frequently Asked Questions (FAQs) for State Medicaid and Children's Health Insurance Program (CHIP) Agencies (Last Updated January 6, 2021)*

Section J. *Children's Health Insurance Program (CHIP)* states in part:

**4. Can states continue coverage for the duration of the Public Health Emergency for individuals in a separate CHIP who are aging out of eligibility or ending their postpartum period?**

No. The requirement in section 6008(b)(3) of the FFCRA to maintain coverage in Medicaid in order to receive the temporary increase in the Medicaid federal medical assistance percentage does not apply to separate CHIPs. Therefore, states may not continue to provide separate CHIP coverage to young adults aging out or women ending their postpartum period. If the state determines that the individual is eligible for Medicaid, they may be transitioned to the appropriate Medicaid eligibility group. States may not transition individuals to Medicaid without first determining them eligible in accordance with 42 C.F.R § 457.350(b). States are required to transfer the accounts of individuals losing CHIP eligibility who are determined to be ineligible for Medicaid to the Exchange, in accordance with 42 C.F.R § 457.350(b)(3) and (i).



# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington

July 1, 2020 through June 30, 2021

### **2021-047 The Health Care Authority did not have adequate internal controls over and did not comply with federal provider eligibility requirements for the Medicaid and Children’s Health Insurance Program.**

**CFDA Number and Title:** 93.767 Children’s Health Insurance Program  
93.767 COVID-19 Children’s Health Insurance Program  
93.775 State Medicaid Fraud Control Units  
93.777 State Survey and Certification of Health Care Providers and Suppliers  
93.778 Medical Assistance Program  
93.778 COVID-19 – Medical Assistance Program

**Federal Grantor Name:** U. S. Department of Health and Human Services

**Federal Award/Contract Number:** 1905WA5MAP; 1905WA5ADM; 2005WA5MAP; 2005WA5ADM; 2005WAINCT; 2005WAIMPL; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM; 1905WA5021; 2105WA5021

**Pass-through Entity Name:** None

**Pass-through Award/Contract Number:** None

**Applicable Compliance Component:** Special Tests and Provisions – Provider Eligibility (Screening and Enrollment)

**Known Questioned Cost Amount:** None

### ***Background***

The Health Care Authority (Authority) administers both Medicaid and the Children’s Health Insurance Program (CHIP). Medicaid is a jointly funded state and federal partnership providing coverage for about 2.1 million eligible low-income Washington residents who otherwise might go without medical care. Medicaid is Washington’s largest public assistance program and usually accounts for about one third of the state’s federal expenditures. CHIP provides health coverage for more than 50,000 children in families with incomes too high to qualify for Medicaid. During fiscal

year 2021, the Medicaid program spent over \$15.3 billion in federal and state funds, and CHIP spent more than \$384 million in federal and state funds.

The Authority ensures medical providers for both programs are eligible to provide services for clients. Providers must continue to meet eligibility requirements in order to receive payments under the programs. Washington had more than 129,000 participating providers during fiscal year 2021. During that time, the Authority paid more than \$10.6 billion to providers for direct client services under the programs.

The Authority is responsible for performing screening measures appropriate for the provider type at application and initial enrollment. Federal regulations require state Medicaid agencies to revalidate the enrollment of all Medicaid and CHIP providers at least every five years. In order to meet this requirement the Authority has implemented an automated revalidation notification process that is supposed to send a revalidation letter to providers in time for them to be revalidated before they reach the end of the five-year period. Federal law also requires state Medicaid agencies to check federal databases at least monthly to confirm the identity and exclusion status of providers, as well as any person with ownership, controlling interest, or acting as an agent or managing employee of the provider.

The processes for provider enrollment and revalidation are very similar. The first step in both processes is to determine the provider's screening risk level. A provider can be designated as one of three risk levels: limited, moderate or high. Each risk level requires progressively greater scrutiny of the provider before it can be enrolled or revalidated. For providers enrolled with both Medicare and Medicaid, state Medicaid agencies must assign providers to the same or higher risk category applicable under Medicare. Additionally, certain provider behaviors require them to be moved to a higher screening level. The following are the required screening procedures for all risk types:

- Verify that the provider meets applicable federal regulations or state requirements for the provider type before making an enrollment determination
- Conduct license verifications, including for licenses in states other than where the provider is enrolling
- Conduct database checks to ensure providers continue to meet the enrollment criteria for their provider type. Such database checks include the National Plan and Provider Enumeration System (NPPES), List of Excluded Individuals/Entities (LEIE), Excluded Parties List System (EPLS), and Death Master File index.

If state Medicaid agencies assess providers at a moderate or high risk, they are required to conduct onsite visits for those that did not have one as part of their Medicare enrollment. Federal regulations require a high-risk provider, or a person with a 5 percent or more direct or indirect ownership in the provider, to receive a fingerprint-based criminal background check. The deadline to fully implement a fingerprint-based criminal background check process was July 1, 2018.

The Authority is also responsible for ensuring that providers obtain the proper signed attestations and disclosures. For servicing only providers, a direct link must be made to a billing provider who has an active Core Provider Agreement (CPA) on file. A CPA contains the required attestation and disclosures of the billing provider to allow for the payment of medical claims.

To ensure the Authority has completed all applicable screening and enrollment or revalidation steps before enrolling or revalidating providers, staff members use checklists for each enrollment and revalidation. The staff member signs and dates the checklist to indicate the provider is eligible to render services and receive payments.

In response to the COVID-19 pandemic, the Authority obtained flexibilities under blanket waivers approved by the Centers for Medicare and Medicaid Services (CMS), which were effective March 1, 2020, through the end of the emergency declaration period. These included the waiving of provider application fees and fingerprint-based criminal background checks. The CMS waivers also allowed for expedited processing of any new or pending provider applications, as well as the postponement of all revalidation actions until November 1, 2020.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Authority did not have adequate internal controls over and did not comply with requirements to ensure it revalidated providers every five years and met screening requirements. The prior finding numbers were 2020-046, 2019-048, 2018-042, 2017-033, and 2016-035.

### *Description of Condition*

The Authority did not have adequate internal controls over and did not comply with federal provider eligibility requirements for the Medicaid and CHIP programs.

During the audit period, the Authority processed 7,406 new provider enrollments. During this same period, the Authority was required to perform ongoing eligibility determinations for 122,056 active providers. We used a statistical sampling method to randomly select and examine 59 newly enrolled providers and 59 active providers to determine if the Authority properly screened them based on their enrollment status and correctly determined their eligibility status. Of the 118 providers examined, we found six instances (5 percent) when the Authority did not take the appropriate actions to ensure providers met eligibility requirements. Specifically, we found:

- Staff did not conduct a proper license check for three providers. For two of these providers, a proper license check would have led staff to identify that the providers had expired licenses and, therefore, were ineligible.

- Staff enrolled two servicing only providers without properly reviewing them to ensure they were attached to a billing provider with a valid CPA. Because the billing provider did not have a CPA, the two servicing providers were improperly enrolled.
- One provider had been designated a moderate risk and required an onsite visit. However, staff did not conduct an onsite visit and only performed limited risk screening procedures.

Additionally, we found staff did not complete enrollment checklists for two newly enrolled providers. A provider should not be enrolled or remain in active status without staff completing all proper enrollment and ongoing screening steps.

To determine if the Authority had revalidated providers every five years or had taken actions to deactivate providers, we used a statistical sampling method to randomly select and examine 57 out of a total population of 1,058 providers that had a revalidation due date during the audit period. We found the Authority did not comply with the revalidation requirements for all 57 (100 percent) of the sampled providers. Though many providers were subsequently revalidated, the Authority did not complete the revalidations before the due date. For providers that were deactivated, the Authority did not process their deactivation until 30 days after their eligibility end date.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

### *Cause of Condition*

Although the Authority has established internal controls over screening and enrolling providers, they were ineffective for preventing or detecting noncompliance. Management also did not ensure staff consistently followed the procedures in place.

Additionally, the automated revalidation notification was inadequate for ensuring the Authority complied with the five-year revalidation requirement. To comply with this requirement, the Authority should notify providers about their revalidations and ensure they are started and completed before the due date. Our audit found that the Authority's automated system is designed to notify providers of their revalidations one day after the due date. Due to this inadequate system design, the providers' revalidations were completed after the due date.

### *Effect of Condition*

By not conducting required licensing, screening, and enrollment processes in a timely manner, the Authority is at risk of not detecting or preventing ineligible providers from providing services to clients and receiving federal Medicaid and CHIP funds. Payments to providers who are ineligible are unallowable, and the Authority could be required to repay the grantor for these payments.

## ***Recommendations***

We recommend the Authority:

- Strengthen internal controls to ensure providers are adequately screened, licensed, enrolled, and eligible to provide and bill for services
- Implement internal controls designed to bring it into material compliance with the provider revalidation process

## ***Authority's Response***

*The Authority will strengthen internal controls to ensure providers are adequately screened, licensed, enrolled, and eligible to provide and bill for services. The Authority will update its automated system to ensure the notifications are sent to allow the revalidations to be completed within the five-year deadline.*

## ***Auditor's Remarks***

We thank the Authority for its cooperation and assistance throughout the audit. We will follow up on the status of the Authority's corrective action during our next audit.

## ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.

- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 42 *U.S. Code of Federal Regulations (CFR) Part 433, State Fiscal Administration, Subpart F, Refunding of Federal Share of Medicaid Overpayments to Providers* states in part:

Section 433.300 Basis.

This subpart implements -

- (a) Section 1903(d)(2)(A) of the Act, which directs that quarterly Federal payments to the States under title XIX (Medicaid) of the Act are to be reduced or increased to make adjustment for prior overpayments or underpayments that the Secretary determines have been made.
- (b) Section 1903(d)(2)(C) and (D) of the Act, which provides that a State has 1 year from discovery of an overpayment for Medicaid services to recover or attempt to recover the overpayment from the provider before adjustment in the Federal Medicaid payment to the State is made; and that adjustment will be made at the end of the 1-year period, whether or not recovery is made, unless the State is unable to recover from a provider because the overpayment is a debt that has been discharged in bankruptcy or is otherwise uncollectable.

Section 433.316 When discovery of overpayment occurs and its significance.

- (a) *General rule.* The date on which an overpayment is discovered is the beginning date of the 1-year period allowed for a State to recover or seek to recover an overpayment before a refund of the Federal share of an overpayment must be made to CMS.
- (b) *Requirements for notification.* Unless a State official or fiscal agent of the State chooses to initiate a formal recoupment action against a provider without first giving written notification of its intent, a State Medicaid agency official or other State official must notify the provider in writing of any overpayment it discovers in accordance with State agency policies and procedures and must take reasonable actions to attempt to recover the overpayment in accordance with State law and procedures.
- (c) *Overpayments resulting from situations other than fraud.* An overpayment resulting from a situation other than fraud is discovered on the earliest of -
  - (1) The date on which any Medicaid agency official or other State official first notifies a provider in writing of an overpayment and specifies a dollar amount that is subject to recovery;
  - (2) The date on which a provider initially acknowledges a specific overpaid amount in writing to the Medicaid agency; or
  - (3) The date on which any State official or fiscal agent of the State initiates a formal action to recoup a specific overpaid amount from a provider without having first notified the provider in writing.
- (d) *Overpayments resulting from fraud.*
  - (1) An overpayment that results from fraud is discovered on the date of the final written notice (as defined in § 433.304 of this subchapter) of the State's overpayment determination.
  - (2) When the State is unable to recover a debt which represents an overpayment (or any portion thereof) resulting from fraud within 1 year of discovery because no final determination of the amount of the overpayment has been made under an administrative or judicial process (as applicable), including as a result of a judgment being under appeal, no adjustment shall be made in the Federal payment to such State on account of such overpayment (or any portion thereof) until 30 days after the date on which a final judgment (including, if applicable, a final determination on an appeal) is made.
  - (3) The Medicaid agency may treat an overpayment made to a Medicaid provider as resulting from fraud under subsection (d) of this section only if it has referred a provider's case to the Medicaid fraud control unit, or

appropriate law enforcement agency in States with no certified Medicaid fraud control unit, as required by § 455.15, § 455.21, or § 455.23 of this chapter, and the Medicaid fraud control unit or appropriate law enforcement agency has provided the Medicaid agency with written notification of acceptance of the case; or if the Medicaid fraud control unit or appropriate law enforcement agency has filed a civil or criminal action against a provider and has notified the State Medicaid agency.

- (e) *Overpayments identified through Federal reviews.* If a Federal review at any time indicates that a State has failed to identify an overpayment or a State has identified an overpayment but has failed to either send written notice of the overpayment to the provider that specified a dollar amount subject to recovery or initiate a formal recoupment from the provider without having first notified the provider in writing, CMS will consider the overpayment as discovered on the date that the Federal official first notifies the State in writing of the overpayment and specifies a dollar amount subject to recovery.
- (f) *Effect of changes in overpayment amount.* Any adjustment in the amount of an overpayment during the 1-year period following discovery (made in accordance with the approved State plan, Federal law and regulations governing Medicaid, and the appeals resolution process specified in State administrative policies and procedures) has the following effect on the 1-year recovery period:
  - (1) A downward adjustment in the amount of an overpayment subject to recovery that occurs after discovery does not change the original 1-year recovery period for the outstanding balance.
  - (2) An upward adjustment in the amount of an overpayment subject to recovery that occurs during the 1-year period following discovery does not change the 1-year recovery period for the original overpayment amount. A new 1-year period begins for the incremental amount only, beginning with the date of the State's written notification to the provider regarding the upward adjustment.
- (g) *Effect of partial collection by State.* A partial collection of an overpayment amount by the State from a provider during the 1-year period following discovery does not change the 1-year recovery period for the balance of the original overpayment amount due to CMS.
- (h) *Effect of administrative or judicial appeals.* Any appeal rights extended to a provider do not extend the date of discovery.



Title 42 U.S. Code of Federal Regulations section 438 Subpart H – Additional Program Integrity Safeguards, states in part:

Section 438.602 State responsibilities.

- (a) Monitoring contractor compliance. Consistent with § 438.66, the State must monitor the MCO's, PIHP's, PAHP's, PCCM's or PCCM entity's compliance, as applicable, with §§ 438.604, 438.606, 438.608, 438.610, 438.230, and 438.808.
- (b) Screening and enrollment and revalidation of providers.
  - (1) The State must screen and enroll, and periodically revalidate, all network providers of MCOs, PIHPs, and PAHPs, in accordance with the requirements of part 455, subparts B and E of this chapter. This requirement extends to PCCMs and PCCM entities to the extent the primary care case manager is not otherwise enrolled with the State to provide services to FFS beneficiaries. This provision does not require the network provider to render services to FFS beneficiaries.
  - (2) MCOs, PIHPs, and PAHPs may execute network provider agreements pending the outcome of the process in paragraph (b)(1) of this section of up to 120 days, but must terminate a network provider immediately upon notification from the State that the network provider cannot be enrolled, or the expiration of one 120 day period without enrollment of the provider, and notify affected enrollees.
- (c) Ownership and control information. The State must review the ownership and control disclosures submitted by the MCO, PIHP, PAHP, PCCM or PCCM entity, and any subcontractors as required in § 438.608(c).
- (d) Federal database checks. Consistent with the requirements at § 455.436 of this chapter, the State must confirm the identity and determine the exclusion status of the MCO, PIHP, PAHP, PCCM or PCCM entity, any subcontractor, as well as any person with an ownership or control interest, or who is an agent or managing employee of the MCO, PIHP, PAHP, PCCM or PCCM entity through routine checks of Federal databases. This includes the Social Security Administration's Death Master File, the National Plan and Provider Enumeration System (NPPES), the List of Excluded Individuals/Entities (LEIE), the System for Award Management (SAM), and any other databases as the State or Secretary may prescribe. These databases must be consulted upon contracting and no less frequently than monthly thereafter. If the State finds a party that is excluded, it must promptly notify the MCO, PIHP, PAHP, PCCM, or PCCM entity and take action consistent with § 438.610(c).

Title 42 U.S. Code of Federal Regulations section 455 Subpart B – Disclosure of Information by Providers and Fiscal Agents, states in part:

Section 455.104 Disclosure by Medicaid providers and fiscal agents: Information on ownership and control.

- (a) Who must provide disclosures. The Medicaid agency must obtain disclosures from disclosing entities, fiscal agents, and managed care entities.
- (b) What disclosures must be provided. The Medicaid agency must require that disclosing entities, fiscal agents, and managed care entities provide the following disclosures:
  - (1)
    - (i) The name and address of any person (individual or corporation) with an ownership or control interest in the disclosing entity, fiscal agent, or managed care entity. The address for corporate entities must include as applicable primary business address, every business location, and P.O. Box address.
    - (ii) Date of birth and Social Security Number (in the case of an individual).
    - (iii) Other tax identification number (in the case of a corporation) with an ownership or control interest in the disclosing entity (or fiscal agent or managed care entity) or in any subcontractor in which the disclosing entity (or fiscal agent or managed care entity) has a 5 percent or more interest.
  - (2) Whether the person (individual or corporation) with an ownership or control interest in the disclosing entity (or fiscal agent or managed care entity) is related to another person with ownership or control interest in the disclosing entity as a spouse, parent, child, or sibling; or whether the person (individual or corporation) with an ownership or control interest in any subcontractor in which the disclosing entity (or fiscal agent or managed care entity) has a 5 percent or more interest is related to another person with ownership or control interest in the disclosing entity as a spouse, parent, child, or sibling.
  - (3) The name of any other disclosing entity (or fiscal agent or managed care entity) in which an owner of the disclosing entity (or fiscal agent or managed care entity) has an ownership or control interest.

(4) The name, address, date of birth, and Social Security Number of any managing employee of the disclosing entity (or fiscal agent or managed care entity).

(c) When the disclosures must be provided -

(1) Disclosures from providers or disclosing entities. Disclosure from any provider or disclosing entity is due at any of the following times:

(i) Upon the provider or disclosing entity submitting the provider application.

(ii) Upon the provider or disclosing entity executing the provider agreement.

(iii) Upon request of the Medicaid agency during the re-validation of enrollment process under § 455.414.

(iv) Within 35 days after any change in ownership of the disclosing entity.

(2) Disclosures from fiscal agents. Disclosures from fiscal agents are due at any of the following times:

(i) Upon the fiscal agent submitting the proposal in accordance with the State's procurement process.

(ii) Upon the fiscal agent executing the contract with the State.

(iii) Upon renewal or extension of the contract.

(iv) Within 35 days after any change in ownership of the fiscal agent.

(3) Disclosures from managed care entities. Disclosures from managed care entities (MCOs, PIHPs, PAHPs, and HIOs), except PCCMs are due at any of the following times:

(i) Upon the managed care entity submitting the proposal in accordance with the State's procurement process.

(ii) Upon the managed care entity executing the contract with the State.

(iii) Upon renewal or extension of the contract.

(iv) Within 35 days after any change in ownership of the managed care entity.

- (4) Disclosures from PCCMs. PCCMs will comply with disclosure requirements under paragraph (c)(1) of this section.
- (d) To whom must the disclosures be provided. All disclosures must be provided to the Medicaid agency.
- (e) Consequences for failure to provide required disclosures. Federal financial participation (FFP) is not available in payments made to a disclosing entity that fails to disclose ownership or control information as required by this section

Title 42 *U.S. Code of Federal Regulations* section 455 Subpart E – Provider Screening and Enrollment, states in part:

Section 455.410 Enrollment and screening of providers

- (a) The State Medicaid agency must require all enrolled providers to be screened under to this subpart.
- (b) The State Medicaid agency must require all ordering or referring physicians or other professionals providing services under the State plan or under a waiver of the plan to be enrolled as participating providers.
- (c) The State Medicaid agency may rely on the results of the provider screening performed by any of the following:
  - (1) Medicare contractors.
  - (2) Medicaid agencies or Children's Health Insurance Programs of other States.

Section 455.412 Verification of provider licenses

The State Medicaid agency must -

- (a) Have a method for verifying that any provider purporting to be licensed in accordance with the laws of any State is licensed by such State.
- (b) Confirm that the provider's license has not expired and that there are no current limitations on the provider's license.

Section 455.414 Revalidation of enrollment

The State Medicaid agency must revalidate the enrollment of all providers regardless of provider type at least every 5 years.

#### Section 455.436 Federal database checks

The State Medicaid agency must do all of the following:

- (a) Confirm the identity and determine the exclusion status of providers and any person with an ownership or control interest or who is an agent or managing employee of the provider through routine checks of Federal databases.
- (b) Check the Social Security Administration's Death Master File, the National Plan and Provider Enumeration System (NPPES), the List of Excluded Individuals/Entities (LEIE), the Excluded Parties List System (EPLS), and any such other databases as the Secretary may prescribe.
- (c)
  - (1) Consult appropriate databases to confirm identity upon enrollment and reenrollment; and
  - (2) Check the LEIE and EPLS no less frequently than monthly.

#### Section 455.450 Screening levels for Medicaid providers.

A State Medicaid agency must screen all initial applications, including applications for a new practice location, and any applications received in response to a re-enrollment or revalidation of enrollment request based on a categorical risk level of "limited," "moderate," or "high." If a provider could fit within more than one risk level described in this section, the highest level of screening is applicable.

- (a) Screening for providers designated as limited categorical risk. When the State Medicaid agency designates a provider as a limited categorical risk, the State Medicaid agency must do all of the following:
  - (1) Verify that a provider meets any applicable Federal regulations, or State requirements for the provider type prior to making an enrollment determination.
  - (2) Conduct license verifications, including State licensure verifications in States other than where the provider is enrolling, in accordance with § 455.412.
  - (3) Conduct database checks on a pre- and post-enrollment basis to ensure that providers continue to meet the enrollment criteria for their provider type, in accordance with § 455.436.

- (b) Screening for providers designated as moderate categorical risk. When the State Medicaid agency designates a provider as a “moderate” categorical risk, a State Medicaid agency must do both of the following:
  - (1) Perform the “limited” screening requirements described in paragraph (a) of this section.
  - (2) Conduct on-site visits in accordance with § 455.432.
- (c) Screening for providers designated as high categorical risk. When the State Medicaid agency designates a provider as a “high” categorical risk, a State Medicaid agency must do both of the following:
  - (1) Perform the “limited” and “moderate” screening requirements described in paragraphs (a) and (b) of this section.
  - (2)
    - (i) Conduct a criminal background check; and
    - (ii) Require the submission of a set of fingerprints in accordance with § 455.434.
- (d) Denial or termination of enrollment. A provider, or any person with 5 percent or greater direct or indirect ownership in the provider, who is required by the State Medicaid agency or CMS to submit a set of fingerprints and fails to do so may have its -
  - (1) Application denied under § 455.434; or
  - (2) Enrollment terminated under § 455.416.
- (e) Adjustment of risk level. The State agency must adjust the categorical risk level from “limited” or “moderate” to “high” when any of the following occurs:
  - (1) The State Medicaid agency imposes a payment suspension on a provider based on credible allegation of fraud, waste or abuse, the provider has an existing Medicaid overpayment, or the provider has been excluded by the OIG or another State's Medicaid program within the previous 10 years.
  - (2) The State Medicaid agency or CMS in the previous 6 months lifted a temporary moratorium for the particular provider type and a provider that was prevented from enrolling based on the moratorium applies for enrollment as a provider at any time within 6 months from the date the moratorium was lifted.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Washington Administrative Code AC 182-502-0005 Core provider agreement (CPA), states:

- (1) The agency only pays claims submitted by or on behalf of a health care professional, health care entity, supplier or contractor of service that has an approved core provider agreement (CPA) with the agency, is a performing provider on an approved CPA with the agency, or has an approved agreement with the agency as a nonbilling provider in accordance with WAC 182-502-0006.
- (2) Performing providers of services to a medical assistance client must be enrolled under the billing providers' CPA.
- (3) Any ordering, prescribing, or referring providers must be enrolled in the agency's claims payment system in order for any services or supplies ordered, prescribed, or referred by them to be paid. The national provider identifier (NPI) of any referring, prescribing, or ordering provider must be included on the claim form. Refer to WAC 182-502-0006 for enrollment as a nonbilling provider.
- (4) For services provided out-of-state, refer to WAC 182-501-0180, 182-501-0182, and 182-501-0184.
- (5) The agency does not pay for services provided to clients during the CPA application process or application for nonbilling provider process, regardless of whether the agency later approves or denies the application, except as provided in subsection (6) of this section or WAC 182-502-0006(5).
- (6) Enrollment of a provider applicant is effective on the date the agency approves the provider application.
  - (a) A provider applicant may ask for an effective date earlier than the agency's approval of the provider application by submitting a written request to the agency's chief medical officer. The request must specify the requested effective date and include an explanation justifying the earlier effective date. The chief medical officer will not authorize an effective date that is:
    - (i) Earlier than the effective date of any required license or certification; or
    - (ii) More than three hundred sixty-five days prior to the agency's approval of the provider application.
  - (b) The chief medical officer or designee may approve exceptions as follows:
    - (i) Emergency services;
    - (ii) Agency-approved out-of-state services;



- (iii) Medicaid provider entities that are subject to survey and certification by CMS or the state survey agency;
  - (iv) Retroactive client eligibility; or
  - (v) Other critical agency need as determined by the agency's chief medical officer or designee.
- (c) For federally qualified health centers (FQHCs), see WAC 182-548-1200. For rural health clinics (RHCs), see WAC 182-549-1200.
- (d) Exceptions granted under this subsection (6) do not supersede or otherwise change the agency's timely billing requirements under WAC 182-502-0150.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-048 The Health Care Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements.**

<b>CFDA Number and Title:</b>	93.767 Children’s Health Insurance Program 93.767 COVID-19 Children’s Health Insurance Program 93.775 State Medicaid Fraud Control Units 93.777 State Survey and Certification of Health Care Providers and Suppliers 93.778 Medical Assistance Program 93.778 COVID-19 – Medical Assistance Program
<b>Federal Grantor Name:</b>	Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	1905WA5MAP; 1905WA5ADM; 2005WA5MAP; 2005WA5ADM; 2005WAINCT; 2005WAIMPL; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM; 1905WA5021; 2105WA5021
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Special Tests and Provisions – Managed Care Financial Audit
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Health Care Authority (Authority) administers both Medicaid and the Children’s Health Insurance Program (CHIP). Medicaid is a jointly funded state and federal partnership providing coverage for about 2.1 million eligible low-income Washington residents who otherwise might go without medical care. Medicaid is Washington’s largest public assistance program and usually accounts for about one third of the state’s federal expenditures. CHIP provides health coverage for more than 50,000 children in families with incomes too high to qualify for Medicaid. During fiscal year 2021, the Medicaid program spent over \$15.3 billion in federal and state funds, and CHIP spent more than \$384 million in federal and state funds.

Managed Care Organizations (MCO) contract with the Authority under a comprehensive risk contract to provide prepaid health care services to eligible enrollees under their managed care programs. In fiscal year 2021, the Authority contracted with five MCOs.

Federal regulations require contracts between states and MCOs include a requirement that MCOs annually submit an audited financial report to the state. These audits must be conducted in accordance with generally accepted accounting principles and generally accepted auditing standards.

At least once every three years, the Authority must conduct or contract for an independent audit of the accuracy, truthfulness, and completeness of the encounter and financial data submitted by each MCO. The Authority must also post these audit results on its website. These requirements went into effect for contract years starting after July 1, 2017.

In fiscal year 2021, the Authority paid over \$8.6 billion to MCOs for Medicaid and CHIP services.

Federal regulations require recipients to establish and follow internal controls that ensure compliance with program requirements. These controls include understanding program requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements.

#### *Audited financial reports*

The Authority did not include this requirement in its MCO contracts, and it did not have internal controls in place to ensure it complied with the requirement to collect financial reports.

The Authority did not obtain any audited financial reports from the MCOs.

#### *Periodic audits*

The Authority did not establish internal controls to ensure it complied with the periodic audit requirement of MCO encounter and financial data.

To meet the periodic audit requirements, the Authority would have needed to complete MCO audits of both the encounter and financial data by December 31, 2020. The Authority did not complete these audits by the deadline.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

The audited financial reports and periodic audits were new requirements that became applicable for the MCO contracts beginning January 2018. The Authority did not have policies or procedures on collecting audited financial reports or on how and when to perform periodic audits. While the Authority was in the process of implementing procedures for meeting these requirements, the implementation was delayed because of staff turnover in the leadership of the unit in charge.

### *Effect of Condition*

By not collecting the audited financial reports and conducting periodic audits, the Authority increases its risk of relying on inaccurate or incomplete information. This could lead to an increased risk of making improper payments and reduced public transparency. The Authority could also be subject to sanction by the federal grantor for not meeting Medicaid requirements.

### *Recommendations*

We recommend the Authority:

- Implement policies and procedures over obtaining audited financial reports
- Implement policies and procedures over conducting required periodic audits
- Update its contract language to include the requirement for MCOs to submit required reports
- Establish a process to ensure it collects audited financial reports annually
- Establish a process to conduct audits of encounter and financial data at least once every three years

### *Authority's Response*

*The authority concurs with the recommendations and has taken the following steps:*

- *Amended managed care contracts to require annual submission of audited financial reports. The amended contract language directs managed care organizations when and where to submit audited financial reports. Failure to submit reports is sanctionable.*
- *Conducted an encounter data validation audit and began a financial report validation audit. Processes have been established to ensure that audits will be conducted no less than once every three years.*

## *Auditor's Remarks*

We thank the Authority for its cooperation and assistance throughout the audit. We will review the status of the Authority's corrective actions during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The

auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 42 *U.S. Code of Federal Regulations* Part 483, *Requirements for States and Long Term Care Facilities* establishes the following applicable requirements:

Section 483.3 Standard Contract Requirements states in part:

- (m) *Audited financial reports.* The contract must require MCOs, PIHPs, and PAHPs to submit audited financial reports specific to the Medicaid contract on an annual basis. The audit must be conducted in accordance with generally accepted accounting principles and generally accepted auditing standards.

Section 483.600 Statutory basis, basic rule, and applicability states in part:

- (c) *Applicability.* States will not be held out compliance with the following requirements of this subpart prior to the dates noted below so long as they comply with the corresponding standard(s) in 42 CFR part 438 contained in the CFR, parts 430 to 481, edition revised as of October 1, 2015:
  - (1) States must comply with §§ 438.602(a), 438.602(c) through (h), 438.604, 438.606, 438.608(a), and 438.608(c) and (d), no later than the rating period for contracts starting on or after July 1, 2017.

Section 483.602 State Responsibilities states in part:

- (e) *Periodic audits.* The State must periodically, but no less frequently than once every 3 years, conduct, or contract for the conduct of, an independent audit of the accuracy, truthfulness, and completeness of the encounter and financial data submitted by, or on behalf of, each MCO, PIHP or PAHP.
- (g) *Transparency.* The State must post on its Web site, as required in § 438.10(c)(3), the following documents and reports:
  - (1) The MCO, PIHP, PAHP, or PCCM entity contract.
  - (2) The data at § 438.604(a)(5).
  - (3) The name and title of individuals included in § 438.604(a)(6).
  - (4) The results of any audits under paragraph (e) of this section.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-049 The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid payments to supported living providers were allowable and adequately supported.**

<b>CFDA Number and Title:</b>	93.775 State Medicaid Fraud Control Units 93.777 State Survey and Certification of Health Care Providers and Suppliers 93.777 COVID-19 – State Survey and Certification of Health Care Providers and Suppliers 93.778 Medical Assistance Program 93.778 COVID-19 – Medical Assistance Program
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award:</b>	1905WA5MAP; 1905WA5ADM; 2005WA5MAP; 2005WA5ADM; 2005WAINCT; 2005WAIMPL; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs/Cost Principles
<b>Known Questioned Cost Amount:</b>	\$251,573,081

### *Background*

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.1 million eligible low-income Washington residents who otherwise might go without medical care. Medicaid is Washington’s largest public assistance program and usually accounts for about one-third of the state’s federal expenditures. The program spent about \$15.3 billion in federal and state funds during fiscal year 2021.

The Department of Social and Health Services’ (Department) Developmental Disabilities Administration administers the Home and Community-Based Services (HCBS) program for people with developmental disabilities. The HCBS is a waiver program that permits states to provide an array of community-based services to help Medicaid clients live in the community and



avoid institutionalization. States have broad discretion to design waiver programs, but they must be approved by the Centers for Medicare and Medicaid Services (CMS).

Supported living services support Medicaid clients to live in their own homes, generally with one to three other people, and receive instruction and support delivered by contracted service agencies (providers). Supported living clients pay their own rent, food and other personal expenses. Supported living is an option under the HCBS Core and Community Protection waivers. In fiscal year 2021, the state Medicaid program paid about \$601 million in federal and state funds to supported living agencies that provided care to about 4,000 Medicaid clients.

#### *Client assessment, Person-Centered Service Plan, and tiered rate*

The Department uses a rate assessment tool to evaluate client support needs to live in the community. With this assessment, the Department develops a Person-Centered Service Plan (PCSP) to determine the support and instruction a client is expected to receive. The economies of scale are applied to the assessed level of care generated by the rate assessment tool to produce a daily rate in one of nine tiers that is paid to the supported living agency. The tiered rate is comprised of two components: payment for direct client services (known as instruction and support services, ISS) and administrative (known as non-ISS). A tiered rate methodology is used to allow providers more flexibility in delivering services to clients. A daily tiered rate is loaded into the Department's payment system, and providers claim payment for each day they provide services to the clients. The supported living agency is contractually obligated to fulfill the client's support needs outlined in the PCSP.

#### *Cost report and settlements*

Providers are required to prepare and submit a cost report at the end of each calendar year, with each cost report covering the last six months of one fiscal year and the first six months of the next fiscal year. Providers must attest to the accuracy of the reported information. The Department uses the cost report information to:

- Provide program cost data to regional managers and residential providers;
- Determine settlements with supported living providers;
- Provide accountability and transparency for the use of public funds.

In the HCBS waiver, the Department states it reconciles purchased support services with provided support services for the calendar year. Using the cost report, the Department calculates settlements to determine if the provider received more reimbursement for ISS care than what it paid to its employees who provided the client care. Department policy states that when staff reviews a cost report to determine if a settlement is required, the following will be verified:

- a. All sections of the cost report are complete;
- b. The information in Residential Rates for Developmental Disabilities (RRDD) matches the ProviderOne payment report;

- c. The report conforms with generally accepted accounting principles;
- d. The report meets the requirements of the provider's contract; and
- e. Expenses are accurately reported.

If the provider does not spend all ISS reimbursement funds on costs to provide direct care to clients, then it is required to pay the Department back the difference. In the HCBS waiver, the Department states that there is no settlement for administrative or indirect client support costs.

#### *Cost report payroll verifications*

The Department conducts payroll verifications of the cost report for selected providers to determine the accuracy and reasonableness of the self-attested expenditures reported. Before verifying payroll, the Department requires the provider to submit supporting documentation, including detailed payroll cost support for two to three months of the calendar year. Department staff review the provider's detailed support, which shows that it only used ISS funds received from the Department to provide ISS care. The Department's ISS Payroll Verification Process guide outlines the payroll verification process and the documents providers must maintain to support expenditures recorded on their cost reports. The guide states:

- The payroll summary must include detail for employees who performed direct support.
- The payroll data must be by employee with job titles.
- The providers are responsible for demonstrating how their records tie to the amounts reported on the cost reports.
- If payroll summaries do not match amounts providers reported on the cost reports, then the Department will review additional months up to the entire calendar year.

#### *Provider documentation requirements*

According to Department policy, providers are required to maintain detailed payroll records to verify the cost of services provided to clients. Upon request, the providers must provide job descriptions for employees who are allocated to both ISS and non-ISS duties. Providers must retain detailed monthly or quarterly payroll and supporting records that support the amounts on their cost reports.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits, we reported the Department did not have adequate internal controls over and did not comply with requirements to ensure payments to supported living providers were allowable.

The finding numbers were 2020-051, 2019-054, 2018-058, 2017-044, 2016-041, 2016-045, 2015-049, 2015-052, 2014-041, 2014-042, 2013-036, 2013-038 and 2012-039.

After the fiscal year 2019 audit, the grantor, the Center for Medicaid and CHIP Services (CMS), issued a management decision letter in which it requested “the state provide documentation that shows an adequate payment review process was implemented that occurs more frequently than once a year,” and it requested the state repay the questioned costs identified in the finding. After the fiscal year 2020 audit, CMS requested that the state provide documentation that justifies its position on current adequate internal controls regarding Medicaid payments to supported living providers, and it requested the state also repay the questioned costs from that finding.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with requirements to ensure Medicaid payments to supported living providers were allowable and adequately supported.

#### **July 1 to December 31, 2020**

##### *Cost reports and settlements – completed during audit period*

The Department reconciled and settled all of the 132 cost reports it received during this period. Of these reports, 78 were completed during the audit period, but they did not receive a payroll verification. For calendar year 2020, the Department did not require documentation to support the self-attested provider costs. Because of the Department’s insufficient monitoring activity, we determined the cost report reconciliation and settlement process was insufficient for ensuring payments made to providers for ISS care were for allowable activities and met cost principles.

##### *Cost report payroll verifications*

During the audit period, the Department verified payroll for 54 providers for calendar year 2020. We randomly selected 11 of these providers to review and found:

- Two of the 11 providers (18 percent) did not provide adequately detailed documentation to support the cost report amounts.
- Two of the 11 providers (18 percent) that the Department had identified as not having adequate documentation to support the cost report amounts. The Department adjusted the annual settlement calculation for both providers and neither resulted in provider repayment. Even though the Department identified these providers as not having adequate documentation to support their self-attested expenditures, staff did not conduct further review to ensure the remaining expenditures on their cost reports were allowable.

We also identified additional issues in the cost report review process that Department staff had performed:

- The cost report payroll verifications only cover 6.8 to 10.2 percent of all months of payments in calendar year 2020. This is insufficient coverage in our judgment.
- Ten of the providers (91 percent) included overtime and seven of the providers (64 percent) included bonus payments in their ISS payroll expenditures. Department policy allows overtime and bonus payroll expenditures to be included as support for cost reports, but these are not factors considered in the tiered rate calculation. We do not believe this is appropriate because considering overtime and bonus dollars to be the same as regular pay dollars does not accurately reflect the services being provided to clients.

We do not consider these reviews effective for ensuring providers' self-attested expenditures on the cost reports were allowable and supported.

### **January 1 to June 30, 2021**

Because cost reports and payroll verifications are prepared on a calendar year basis, the Department had not collected the reports and verified payroll for 2021 by the end of the audit period. The Department did not perform any other systematic review of these expenditures; therefore, we determined the Department did not have sufficient controls over this requirement during this period.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

Management believed that when the Department switched to using a tiered rate system, the level of monitoring it was conducting was sufficient for meeting federal requirements. However, the grantor has since informed the Department that it must implement an adequate payment review process that occurs more than once a year, but management has chosen not to do so.

### ***Cost reports and settlements***

The Department does not require providers to submit supporting documentation with their cost reports. Instead, the Department allows self-attested payroll expenditures as adequate support for the cost report settlements.

### ***Cost report payroll verifications***

Management said the Department made adjustments to the provider settlements summary when ISS expenditures did not have adequate supporting documentation. These adjustments did not result in provider repayments, and the Department determined no additional review was necessary. Additionally, while there was indication of supervisory reviews, they were ineffective because they did not consistently detect incorrect payroll verification.

### ***Effect of Condition and Questioned Costs***

Without establishing an adequate payment review process, the Department had little assurance that it used program funds only for allowable purposes and payments to providers were adequately supported.

We are questioning:

#### **Payments made from July 1, 2020, through December 31, 2020**

##### *Cost reports and settlements*

- \$168,337,796 in ISS payments made to 78 providers for which the Department did not verify payroll. The federal share of these questioned costs is \$94,605,841.

##### *Cost report payroll verification*

- \$324,909 in ISS payments for four providers that did not have adequate documentation to support payroll expenditures on the payroll verifications we tested. We used a nonstatistical sampling method and are reporting likely questioned costs of \$1,595,006. The federal share of these questioned costs is \$182,599 known and \$896,393 likely.

#### **Payments made from January 1, 2021, through June 30, 2021**

We are questioning all \$278,976,230 in supported living payments during this period. The federal share of these questioned costs is \$156,784,641.

## Summary of questioned costs

The table below summarizes, by audit area, the known questioned costs and likely improper payments:

Audit Area	Known Questioned Costs (State and Federal)	Known Questioned Costs (Federal Portion Only)	Likely Improper Payments (State and Federal)	Likely Improper Payments (Federal Portion Only)
Costs reports reconciled, but no payroll verification performed	\$168,337,796	\$94,605,841	\$168,337,796	\$94,605,841
Cost reports with payroll verification conducted	\$324,909	\$182,599	\$1,595,006	\$896,393
Expenditures with no cost reports	\$278,976,230	\$156,784,641	\$278,976,230	\$156,784,641
Totals	\$447,638,935	\$251,573,081	\$448,909,032	\$252,286,875

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

## Recommendations

We recommend the Department:

- Implement an adequate payment review process that occurs more frequently than once a year to ensure federal funds paid to providers are used only for allowable purposes and are adequately supported
- Add detailed cost report payroll verification procedures to its policy
- Consult with its grantor about whether the questioned costs identified in the audit should be repaid

## Department's Response

*While the Department partially concurs with the finding and \$182,599 in questioned costs, we also respectfully dispute the remaining questioned costs (\$251,390,482) identified in the finding.*

*The State Auditor's Office (SAO) has questioned large portions of the Department's reimbursements for instruction and support services provided to supported living clients. This includes questioning all reimbursements from the second half of fiscal year 2021, and all costs from the first half of the fiscal year that are associated with the 78 providers who did not undergo a payroll verification review. The Department strongly disagrees that all of these costs should be*

*questioned. The Department had numerous internal controls in place during the fiscal year. These controls are detailed later in this response and together they provide sufficient assurance that the services paid for were provided.*

*It is noteworthy that the SAO did not question all the costs from the first half of the fiscal year (July 1, 2020, through December 31, 2020) that were associated with the 54 providers who were subject to the Department's payroll verification review. In fact, the SAO apparently, and appropriately, considered the Department's payroll verification process an internal control that is generally sufficient to ensure payments to supported living providers are allowable. For the 54 providers for whom the payroll review was performed, the questioned costs are comparatively small and based upon what the SAO considered to be deficiencies in specific verifications rather than an issue with the payroll verification process in general.*

*For the second half of the fiscal year (January 1, 2021, through June 30, 2021) the Department had the same internal control in place. That is, the Department's verifications were performed upon provider payroll from the second half of the year in exactly the same way that they were performed on payroll from the first half of the fiscal year. As the Department had the same internal control in place in both halves of the fiscal year, one would expect to see roughly similar questioned costs (relating to providers who received a payroll verification). Instead, the SAO questioned all of the costs from the second half of the fiscal year. The SAO appears therefore to have concluded that this internal control was non-existent for the second half of the year. This is neither true nor accurate. As stated above, the same internal control was in place, a control that the SAO appears to consider generally sufficient.*

*The reason that the SAO did not take into account this control for the second half of the year is due to the timing of their audit cycle, rather than any question regarding the sufficiency of the control. The Department reconciles payments on a calendar year basis. This is set forth in policy and is approved by CMS as part of its waiver approval process. The SAO audits on a fiscal year basis and does not consider the control activities that fall outside of their audit period. As the SAO does not take into account the payroll verification reviews that applied to the second half of the fiscal year, the Department considers the SAO's audit incomplete. This incompleteness results in the contradictory conclusion that payments over which the Department had sufficient controls were completely unallowable.*

*With regard to the questioned costs pertaining to the 54 providers who received a payroll verification (as in the table below), the Department did detect the costs in question.*

<i>Audit Area</i>	<i>Known Questioned Costs (Federal Portion Only)</i>
<i>54 Cost reports with payroll verification conducted (7/1/20-12/31/20)</i>	<i>\$182,599</i>
<i>78 Costs reports reconciled, but no payroll verification performed (7/1/20-12/31/20)</i>	<i>\$94,605,841</i>
<i>Expenditures with no cost reports (1/1/21-6/30/21 – Cost Reports not submitted till end of calendar year)</i>	<i>\$156,784,641</i>
<i>Totals</i>	<i>\$251,573,081</i>

The Department has many significant oversight and monitoring strategies, including the payroll verification process. These oversight and monitoring strategies are as follows:

- ***Medicaid Service Verifications***

*The Developmental Disabilities Administration (DDA) Quality Compliance Coordinator (QCC) team carries out Medicaid Service Verifications each month for a random sample of 79 clients who receive Medicaid services. This includes clients receiving supported living services. Clients or their legal representatives receive a service verification survey which asks if they received the services identified in their plan. If a client or their representative responds “no” to this or any other question, a member of the QCC team follows up with a phone call to determine next steps.*

- ***Segregation of duties***

*Service planning and service authorization are separate duties. Case managers are responsible for service planning. Resource managers are responsible for the rate assessment. There are also separate oversight processes for each of these duties. Oversight of service planning is performed by supervisors. Oversight of the rate approval process is performed by Resource Manager Supervisors and the DDA headquarters Community Residential Services Program Manager.*

- ***Verification and approval process***

*Resource managers complete the rate assessment. The rate assessment process applies multiple efficiencies to achieve cost effectiveness. Oversight of the rate approval process is performed by Resource Manager Supervisors and the DDA headquarters Community Residential Services Program Manager. A rate sheet (called “Exhibit C” in the contract) is generated, and the provider confirms and signs it as part of their contract. The rates are uploaded into the Health Care Authority’s ProviderOne payment system, allowing the provider to claim the authorized rate. Rates assessed as tier nine and single-person*



households require an exception to policy, which is reviewed and approved by managerial staff.

- **Allowable Costs Payment Reconciliation**

*Twice per year the Department reconciles the provider's payments for services provided to individual clients. There is a six-month review of payments for the first half of the calendar year and then a twelve-month review at the end of the calendar year. The final payments and cost settlement are adjusted for all variances in costs as determined by the reviews.*

- **Rate, cost report, settlement, and reconciliation processes**

*Supported living uses a tiered rate reimbursement methodology. The tiered rate is a daily rate for an individual client. It is based upon the client's assessed needs and economies of scale. The tier level and rate amount are calculated by algorithms established in rule. The systems involved include the Comprehensive Assessment, Review & Evaluation (CARE) tool, Residential Rates for Developmental Disabilities (RRDD), and Provider One. AL TSA and DDA staff monitor the systems and rates for accuracy. The tier methodology was reviewed and approved by CMS.*

*The cost report is a financial report prepared by the contracted provider that identifies the costs related to community residential habilitative services and supports provided in the calendar year. Allowable costs are detailed in DDA policy 6.04. DDA rate analysts and agency providers both receive annual training on the cost report process and accuracy in the recording of all the financial information involved. When the cost report is submitted to the Department, the provider attests to its accuracy and completeness. DDA rate analysts review the cost report, checking for accuracy and completion in accordance with generally accepted accounting rules, and DDA polices 6.02 and 6.04.*

*The initial review includes a checklist of instructions the analyst follows to ensure the cost report is reasonable, allowable, and completed accurately. The review includes a reconciliation of payments. The reconciliation process verifies the provider claimed the correct number of days of service and rate for every client in their contract. Reconciliation is done by comparing payments in the DDA RRDD database to those claimed in the Health Care Authority ProviderOne database. Variances are corrected in ProviderOne and on the cost report settlement when they are determined and verified by both the rate section and DDA field staff.*

*The cost report is not used to set rates. The cost report is used to calculate a financial settlement that compares payment revenue to actual expenses. When instruction and support services (ISS) payment revenue is more than the ISS expenses, a settlement is*

generated. The provider returns the amount owed (per the settlement) to the Department's Office of Financial Recovery (OFR).

- **Payroll verification process**

*A sample of providers is required to submit payroll records that support the instruction and support services (ISS) expenses claimed on the cost report. In FY21 roughly 40% of providers were included in the sample. The samples are selected in mid-March, and the review process begins in mid-April after the cost reports are submitted. Providers are given two weeks to provide payroll records. DDA's rate analyst compares the provider payroll records to the ISS expenses reported on the cost report to verify that their payroll supports their reported ISS expenses. If inaccuracies are identified, the analyst may request additional information, or that corrections be made to the documentation submitted.*

- **Quality Assurance Review**

*DDA's Residential Quality Assurance unit has one employee who provides technical assistance for certified community residential settings. With the transition from the legacy ISS hour-driven rate system to the person-centered assessment driven tiered rate system, a formalized and more holistic quality assurance oversight process was developed. It was implemented in July 2019. This new QA oversight approach includes routine reviews to ensure selected supports listed in clients' person-centered service plans (PCSPs) align with the supports provided.*

*The PCSP is the state's primary instruction to the provider for the provision of contracted services. The quality assurance staff conducts virtual reviews of the quality and quantity of service in relation to individuals' assessed needs across ten domains of the CARE tool (the tool which contains the algorithm that drives the tiered rate).*

*Reviews were historically conducted for approximately two providers per month. Reviews include a sample of clients across multiple homes and different service levels. Due to the COVID-19 pandemic, in FY21 no providers were reviewed.*

*The quality assurance staff provides recommendations if the providers' practices should be revised. This increases security and helps achieve better compliance with WAC 388-101D requirements.*

*The quality assurance staff provides thorough, written feedback following the review, and requests a written plan of correction from the provider. The quality assurance staff monitors to ensure all providers submit the written plan.*

- **Duplicate Payment Report**

*On a monthly basis the Department checks for overlapping service claims made by more than one provider for the same client – that is, payments made to a provider on the same day that there is another claim for Medicaid funding (such as a claim for services provided by a hospital). When such claims are detected the Department contacts providers to gather further information and to provide guidance. Claims and authorizations are adjusted, as necessary.*

*Additionally, in the ProviderOne system there is an automated system check which denies payments for multiple identical (or near identical) claims for the same client on the same day. If patterns are detected, the Department will contact providers to gather information and provide guidance.*

- **Residential Care Services (RCS) certification process and DDA follow up**

*RCS evaluates providers' compliance with Chapter 388-101 and 388- 101(D) WAC, and the DDA contract at minimum of every two years. RCS also monitors for evidence of working toward person-centered service plan goals and investigates complaints of provider practice and RCW 74.34 violations. Citations issued by RCS require providers to respond with plans of correction.*

*DDA regional staff and headquarters quality assurance staff monitor provider compliance and provide technical assistance to providers in developing plans of correction and maintaining compliance with requirements. Regional staff verify providers' compliance with their plans of correction. This is documented in the Residential Agency Tracking database on the SharePoint site.*

*Quality assurance staff report on citation trends monthly. Quality assurance staff review the most frequent citations quarterly, and implement systemic interventions such as training, provider messaging, and developing provider tools and resources.*

- **Contract monitoring**

*Headquarters quality assurance staff and regional resource managers and quality assurance staff monitor providers' performance in relation to their contract to ensure compliance.*

*Resource managers' contract monitoring activities are documented in the Residential Agency Tracking Database. These activities include visits to clients' homes. The number of monitoring visits is determined by various factors including the number of incident reports and technical assistance requests from the provider.*

*Case managers (CRMs) visit clients' homes when performing the annual DDA assessment. CRMs monitor to ensure that clients are receiving services according to their person-centered service plan and that clients' health and welfare needs are addressed. This monitoring frequency depends upon the need of the client but must occur at least every six months. The monitoring typically includes a conversation with the client and/or their legal representative.*

*During monitoring of services, the frequency of services and the amount of each service are reviewed to ensure the client's assessed needs are addressed. This monitoring is recorded in CARE under the "monitor plan" tab. A question on DDA's Quality Compliance Coordinator annual review checks that CRMs completed plan monitoring. This annual QCC review includes a sample of client files. For waiver and Community First Choice clients, the sample size is set to have a confidence level of 95% and an error rate of + or - 5%. For Roads to Community Living clients, the sample size is 100%.*

*The Residential Quality Assurance Program Manager conducts a quarterly survey to obtain information about clients' inclusion in the community. The survey is based on a random selection of 350 clients and includes clients in the supported living program.*

*Every six months the Residential Quality Assurance Program Manager requests current Individual Instruction and Support Plans (IISPs) and information on progress toward IISP goals for the clients identified in the above survey. This is to review the IISPs for compliance with WAC and DDA policy 5.08 (Individual Instruction and Support Plan and Risk Summary), as well as to ensure progress is being tracked for habilitative goals.*

*Based on the information provided above, the Department asserts that the questioned costs for this audit should amount to no more than \$182,599. The Department considers it unfortunate that the SAO did not choose a more collaborative approach aimed at assisting the Department in its quality improvement efforts. The Department has made significant changes to its processes and is interested in partnering with SAO to resolve disagreements.*

*The Department strongly believes that its current oversight and monitoring adequately confirms that services received by clients meet the certification standards for supported living agencies. The Department continues its efforts to bring quality services to clients who receive habilitative residential supports.*

*The Department has followed all requirements, including reconciling the settlement amounts that were issued to agencies in the cost report settlement process. The Department intends to send a request to CMS that the questioned costs imposed by the SAO be rescinded. The Department will be sending this request to the following divisions within CMS: Financial Policy, Program Integrity, Medicare, and Clinical Standards and Quality.*

## *Auditor's Remarks*

Broadly, one of the goals of the single audit is one of fiscal accountability – to assure the federal government that state programs follow the relevant regulations in spending public money, and that they can provide evidence they did so. Both the Department and the federal government have long been aware of the issues identified in this audit, and the federal government has concurred with previous audit findings. As in the previous nine years' audits, this year's audit found the Department did not comply with requirements to ensure Medicaid payments to supported living providers were allowable and adequately supported. For the last two years, the federal government also said the state's process for reviewing those payments was inadequate and has requested documentation to justify the Department's position. Because of its concerns, the federal government requested the state repay \$114 million and \$285 million of federal funds over the last two years.

This audit finding is a result of procedures performed to determine if the Department is compliant with federal requirements over Activities Allowed/Unallowed and Allowable Costs/Cost Principles. We considered the Department's asserted internal controls during the audit and found them to be inadequate to meet these requirements. We did not state that we believe none of the services occurred. We reported the Department did not adequately review documentation from providers or perform other procedures to determine that federal funds were only used for allowable purposes and were adequately supported, and therefore, we are required to question costs.

The Department's response includes that *“the tier methodology was reviewed and approved by CMS.”* CMS approval of provider payment methodology has no effect on the compliance requirement to ensure payments to providers are spent on allowable activities and meet cost principles. The Department received a management decision letter from CMS dated October 22, 2021 that addressed the prior year finding the Department received for this same issue (2020-051). In this letter, CMS stated:

*CMS request that the state provide documentation that justifies their position on current adequate internal controls regarding Medicaid payments to supported living providers. Additionally, the state should refund the questioned costs of \$284,918,428 FFP on the next CMS 64 report.*

We confirmed the Department received this letter. Therefore, the Department should be aware this guidance from CMS is in conflict with the Department's assertion that CMS approval of the tiered rate methodology relieves them of the requirement to ensure payments are used only for allowable purposes and are adequately supported.

Internal control is a perpetual process, effected by those charged with governance, management, and other employees, designed to provide reasonable assurance regarding the achievement of the entity's objectives relating to operations, reporting, and compliance. At the beginning of the audit, we requested the Department provide in writing, the key internal controls it has in place to ensure

compliance with federal requirements. We extensively reviewed each control the Department identified and determined only the cost report payroll verification process could ensure payments are used only for allowable purposes and are adequately supported. In our judgment, a review of an annual cost report does not provide the Department with reasonable assurance that federal Medicaid funds paid for ISS services were only spent for ISS services.

Even when internal controls are determined to be insufficient, we are required to test the Department's compliance with federal requirements. We examined the cost reports and tested to the requirements outlined in the Department's policy 6.04 that states providers must maintain supporting records for the amounts reported on the cost report. The Department response stated:

*DDA rate analysts review the cost report, checking for accuracy and completion in accordance with generally accepted accounting rules, and DDA policies 6.02 and 6.04.*

During the cost report settlement process, it is not possible to check for accuracy and completion without having supporting documentation to compare to the cost report. The Department performs the reconciliation to determine whether the provider was paid the correct daily rate, which does not ensure payments were spent on allowable activities. For the settlement process, the Department provided no evidence that the rate analysts review supporting documentation to confirm accuracy or completeness of provider self-attested expenditures. We found there is no review of these supporting records when the Department conducts the annual cost report reconciliation and settlement.

The only time the Department reviews provider supporting documentation is during the payroll verification. In its response the Department stated:

*The cost report is not used to set rates. The cost report is used to calculate a financial settlement that compares payment revenue to actual expenses.*

The Department cannot compare payment revenue to actual expenses when no documentation is received to verify the amount of actual expenses. In state fiscal year 2021, the Department completed audits for 54 out of 132 providers and, for the samples we tested, the Department requested and reviewed detailed level payroll expenditures. Our testing identified expenditures that were not adequately supported, resulting in questioned cost. In the instances where the Department identified expenditures without adequate support there was no provider repayment. To determine if the provider is required to repay the self-attested expenditures that were not adequately supported, the Department adjusts the settlement calculation. There is a flaw in this process because the Department is relying on the provider's self-attested expenditure total in the settlement amount, which the Department just determined were not adequately supported, to determine if repayment is necessary. The Department has determined that the provider self-attested expenditures are not adequately supported yet they are still utilizing an unreliable self-attested amount to determine if repayment is required.

The Department cited a number of oversight and monitoring activities it performs related to Supported Living agencies. While these are useful processes and may help ensure clients receive proper services, they are not focused on ensuring payments made to providers are for allowable activities or meet cost principles.

In response to the finding 2019-054, CMS informed the Department that yearly review of the cost reports was not sufficient. Even if the cost reports covering the second half of the audit period were received within the audit period, the Department would be noncompliant with federal law.

During each audit, we evaluate the changes made by the Department to determine if supported living payments are allowable and adequately supported. We will continue to review the Department's asserted controls over allowable activities and cost principles to determine its adequacy.

We reaffirm our finding and will review the status of the Department's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 42 *U.S. Code of Federal Regulations* Part 433, *State Fiscal Administration*, Subpart F – Refunding of Federal Share of Medicaid Overpayments to Providers

Section 433.300 Basis.

This subpart implements -

- (a) Section 1903(d)(2)(A) of the Act, which directs that quarterly Federal payments to the States under title XIX (Medicaid) of the Act are to be reduced or increased to make adjustment for prior overpayments or underpayments that the Secretary determines have been made.
- (b) Section 1903(d)(2)(C) and (D) of the Act, which provides that a State has 1 year from discovery of an overpayment for Medicaid services to recover or attempt to recover the overpayment from the provider before adjustment in the Federal Medicaid payment to the State is made; and that adjustment will be made at the end of the 1-year period, whether or not recovery is made, unless the State is unable to recover from a provider because the overpayment is a debt that has been discharged in bankruptcy or is otherwise uncollectable.

Section 433.316 When discovery of overpayment occurs and its significance.

- (a) *General rule.* The date on which an overpayment is discovered is the beginning date of the 1-year period allowed for a State to recover or seek to recover an

overpayment before a refund of the Federal share of an overpayment must be made to CMS.

- (b) *Requirements for notification.* Unless a State official or fiscal agent of the State chooses to initiate a formal recoupment action against a provider without first giving written notification of its intent, a State Medicaid agency official or other State official must notify the provider in writing of any overpayment it discovers in accordance with State agency policies and procedures and must take reasonable actions to attempt to recover the overpayment in accordance with State law and procedures.
- (c) *Overpayments resulting from situations other than fraud.* An overpayment resulting from a situation other than fraud is discovered on the earliest of - -
  - (1) The date on which any Medicaid agency official or other State official first notifies a provider in writing of an overpayment and specifies a dollar amount that is subject to recovery;
  - (2) The date on which a provider initially acknowledges a specific overpaid amount in writing to the Medicaid agency; or
  - (3) The date on which any State official or fiscal agent of the State initiates a formal action to recoup a specific overpaid amount from a provider without having first notified the provider in writing.
- (d) *Overpayments resulting from fraud.*
  - (1) An overpayment that results from fraud is discovered on the date of the final written notice (as defined in § 433.304 of this subchapter) of the State's overpayment determination.
  - (2) When the State is unable to recover a debt which represents an overpayment (or any portion thereof) resulting from fraud within 1 year of discovery because no final determination of the amount of the overpayment has been made under an administrative or judicial process (as applicable), including as a result of a judgment being under appeal, no adjustment shall be made in the Federal payment to such State on account of such overpayment (or any portion thereof) until 30 days after the date on which a final judgment (including, if applicable, a final determination on an appeal) is made.
  - (3) The Medicaid agency may treat an overpayment made to a Medicaid provider as resulting from fraud under subsection (d) of this section only if it has referred a provider's case to the Medicaid fraud control unit, or appropriate law enforcement agency in States with no certified Medicaid fraud control unit, as



required by § 455.15, § 455.21, or § 455.23 of this chapter, and the Medicaid fraud control unit or appropriate law enforcement agency has provided the Medicaid agency with written notification of acceptance of the case; or if the Medicaid fraud control unit or appropriate law enforcement agency has filed a civil or criminal action against a provider and has notified the State Medicaid agency.

- (e) *Overpayments identified through Federal reviews.* If a Federal review at any time indicates that a State has failed to identify an overpayment or a State has identified an overpayment but has failed to either send written notice of the overpayment to the provider that specified a dollar amount subject to recovery or initiate a formal recoupment from the provider without having first notified the provider in writing, CMS will consider the overpayment as discovered on the date that the Federal official first notifies the State in writing of the overpayment and specifies a dollar amount subject to recovery.
- (f) *Effect of changes in overpayment amount.* Any adjustment in the amount of an overpayment during the 1-year period following discovery (made in accordance with the approved State plan, Federal law and regulations governing Medicaid, and the appeals resolution process specified in State administrative policies and procedures) has the following effect on the 1-year recovery period:
  - (1) A downward adjustment in the amount of an overpayment subject to recovery that occurs after discovery does not change the original 1-year recovery period for the outstanding balance.
  - (2) An upward adjustment in the amount of an overpayment subject to recovery that occurs during the 1-year period following discovery does not change the 1-year recovery period for the original overpayment amount. A new 1-year period begins for the incremental amount only, beginning with the date of the State's written notification to the provider regarding the upward adjustment.
- (g) *Effect of partial collection by State.* A partial collection of an overpayment amount by the State from a provider during the 1-year period following discovery does not change the 1-year recovery period for the balance of the original overpayment amount due to CMS.
- (h) *Effect of administrative or judicial appeals.* Any appeal rights extended to a provider do not extend the date of discovery.

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.1 Definitions, states in part:

*Improper payment* means:

3) any payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other *legally applicable* requirements.

(vii) Incorrect amounts are overpayments or underpayments that are made to eligible recipients (including inappropriate denials of payment or service, any payment that does not account for credit for applicable discounts, payments that are for an incorrect amount, and duplicate payments). An improper payment also includes any payment that was made to an ineligible recipient or for an ineligible good or service, or payments for goods or services not received (except for such payments authorized by law).

*Note 1 to paragraph (1)(i) of this definition.* Applicable discounts are only those discounts where it is both advantageous and within the agency's control to claim them.

(viii) When an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation, this payment should also be considered an improper payment. When establishing documentation requirements for payments, agencies should ensure that all documentation requirements are necessary and should refrain from imposing additional burdensome documentation requirements.

(ix) Interest or other fees that may result from an underpayment by an agency are not considered an improper payment if the interest was paid correctly. These payments are generally separate transactions and may be necessary under certain statutory, contractual, administrative, or other legally applicable requirements.

(iv) A “questioned cost” (as defined in this section) should not be considered an improper payment until the transaction has been completely reviewed and is confirmed to be improper.

(v) The term “payment” in this definition means any disbursement or transfer of Federal funds (including a commitment for future payment, such as

cash, securities, loans, loan guarantees, and insurance subsidies) to any non-Federal person, non-Federal entity, or Federal employee, that is made by a Federal agency, a Federal contractor, a Federal grantee, or a governmental or other organization administering a Federal program or activity.

(vi) The term “payment” includes disbursements made pursuant to prime contracts awarded under the Federal Acquisition Regulation and Federal awards subject to this part that are expended by recipients.

(2) See definition of improper payment in OMB Circular A-123 appendix C, part I A (1) “What is an improper payment?” Questioned costs, including those identified in audits, are not an improper payment until reviewed and confirmed to be improper as defined in OMB Circular A-123 appendix C.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.

- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

#### Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

#### Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is

material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

- (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

*Home and Community-Based Services Waiver*, states in part:

Cost Reports:

Cost reports reconcile purchased support services with provided support services for the calendar year. Cost reports are desk audited to determine accuracy and the reasonableness of reported costs. Reported revenue received is reconciled to ProviderOne payment information to determine settlement amounts as described in DDA Policy 6.04.

Settlements are calculated by the Department staff to determine settlements per contract(s) in cases where providers' contract(s) received more reimbursement for direct support costs than was paid out.

*Developmental Disabilities Administration Policy 6.02 - Rates and Other Covered Costs for Supported Living, Group Training Homes, and Group Homes*, issued 01/2020, states in part:

C. Rates are payments for costs that are necessary, customary, and related to the provision of residential program instruction and support as described in chapters 388-101 and 388-101D WAC and the residential services contract.

#### 24. Provision of Services

- a. The service provider must provide residential services assigned to the service provider in the client's person-centered service plan.
- c. The service provider must maintain a system that shows instruction and support service funds have been used to provide instruction and support services. All instruction and support services staff compensation, employer paid taxes, and benefits within each calendar year are annually reconciled to the ISS contracted rate through the cost reporting system. See DDA Policy 6.04.

*Developmental Disabilities Administration Policy 6.04, Billing, Payment, and Cost Reporting for Supported Living, Group Training Homes, and Group Homes, issued 12/2019, states in part:*

#### D. Cost Report Components

##### 1. Instruction and Support Services

- a. If a provider reports ISS expenses beyond what is ordinary and necessary, the Department may ask the provider to explain the reported costs.
- c. Service providers must provide to DSHS upon request job descriptions for employees who are allocated in the cost report working both ISS and non-ISS duties. Payroll costs charged to ISS for cost reporting purposes must be verifiable in the service provider's records.
- e. Providers must report on their annual cost report the monthly or quarterly payroll expenses for staff that perform ISS duties (and non-ISS for those who perform both ISS & non-ISS duties). The employer must retain the detailed monthly or quarterly payroll and supporting records that support the monthly or quarterly amounts reported on the cost report as DDA may request these records.
- f. Allowable ISS Costs include:
  1. Compensation paid for ISS staff salaries, wages, stipends, training costs and other compensation for staff that are designated as ISS, and prorated for those staff whose time is split between ISS and administrative functions;

*DSHS ISS Payroll Verification* guidance, states in part:

#### Process

- Compare the Provider's final Cost Report data to the payroll documentation they submitted for ISS verification.
- Provider's reported ISS costs on schedule B should equal expenses verified by employee payroll records.
- Payroll records that do not match the 20XX Cost Report will result in an email being sent regarding the mismatch.
- Providers whose schedule B reported ISS costs exceed a 2% variance from their submitted documentation will be asked to explain the variance and provide additional documentation to support their schedule B submission.

- Providers that cannot adequately explain variances will be brought to the attention of the Reimbursement Program Manager (Lead). Actions may include but are not limited to: requesting a revised cost report, provider cost report training, and/or automatically being included in the following year's review.

#### Types of Supporting Documentation the Provider Must and Optionally Submit

- Description of the payroll system they use:
  - QuickBooks
  - Payroll service (ADP, Paychecks, etc.)
  - Manual
  - Other information deemed appropriate
- Payroll summary must detail for employees who performed direct support - i.e., the percent each employee performed direct support
- Payroll data must be by employee with job titles
- Provider is responsible for demonstrating how their records tie to the amounts reported on the cost report



# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-050 The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it performed procedures to safeguard against unnecessary utilization of care and services for the Medicaid program.**

**CFDA Number and Title:** 93.775 State Medicaid Fraud Control Units  
93.777 State Survey and Certification of Health Care Providers and Suppliers  
93.778 Medical Assistance Program  
93.778 COVID-19 – Medical Assistance Program

**Federal Grantor Name:** Department of Health and Human Services

**Federal Award/Contract Number:** 1905WA5MAP; 1905WA5ADM; 2005WA5MAP; 2005WA5ADM; 2005WAINCT; 2005WAIMPL; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM

**Pass-through Entity Name:** None

**Pass-through Award/Contract Number:** None

**Applicable Compliance Component** Special Tests and Provisions – Utilization Control and Program Integrity

**Known Questioned Cost Amount:** None

### *Background*

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.1 million eligible low-income Washington residents who otherwise might go without medical care. Medicaid is Washington’s largest public assistance program and usually accounts for about one-third of the state’s federal expenditures. The program spent over \$15.3 billion in federal and state program funds during fiscal year 2021.

Managed Care Organizations (MCO) contract with the Health Care Authority (Authority) under a comprehensive risk contract to provide prepaid healthcare services to eligible enrollees under their managed care programs. In fiscal year 2021, the Authority paid more than \$8.6 billion to MCOs for Medicaid services.

Under federal regulations, Medicaid state plans must include methods and procedures to safeguard against unnecessary utilization of care and services. The regulations require states to implement a statewide surveillance and utilization control program that:

- Safeguards against unnecessary or inappropriate use of Medicaid services and against excess payments;
- Assesses the quality of those services;
- Provides for the control of the utilization of all services provided under the plan; and
- Provides for the control of the utilization of inpatient services.

Multiple state agencies in Washington manage aspects of the Medicaid program. The agencies include the Authority, Department of Social and Health Services, Department of Health, Office of the Attorney General, and Department of Children, Youth, and Families. The Centers for Medicare and Medicaid Services (CMS) considers the Authority to be Washington's official Medicaid agency. Federal regulations require the Medicaid agency:

- (1) Monitor the statewide utilization control program;
- (2) Take all necessary corrective action to ensure the effectiveness of the program;
- (3) Establish methods and procedures to implement this section;
- (4) Keep copies of these methods and procedures on file; and
- (5) Give copies of these methods and procedures to all staff involved in carrying out the utilization control program.

Federal regulations also require the Medicaid agency have procedures for the ongoing evaluation, on a sample basis, of the need for, quality and timeliness of Medicaid services.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the last three audits, we reported the Authority did not establish adequate internal controls over and did not comply with utilization control and program integrity requirements. The prior finding numbers were 2020-047, 2020-048, 2019-052, 2019-053, and 2018-047.

### ***Description of Condition***

The Authority did not have adequate internal controls over and did not comply with requirements to ensure it performed procedures to safeguard against unnecessary utilization of care and services for the Medicaid program.

Washington's Medicaid state plan does not include any methods and procedures to safeguard against unnecessary utilization of care and services. The Authority also did not implement and monitor a statewide surveillance and utilization control program.

The Authority has procedures for the ongoing evaluation of the need for, quality and timeliness of Medicaid services. However, payments to MCOs are not included in this evaluation. The Authority also does not monitor the procedures that MCOs and other state agencies perform.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

### *Cause of Condition*

In the past few years, the Authority has reorganized its Program Integrity unit several times. This unit is responsible for safeguarding against unnecessary utilization of care and services for the Medicaid program. In fiscal year 2021, the unit was working on establishing policies and procedures; however, the unit did not finalize them until the end of the audit period. In conversations with management, it was not clear they understood the Authority was responsible for implementing and monitoring the statewide utilization control program, which includes overseeing and monitoring the activities of other state agencies.

### *Effect of Condition*

By not establishing methods and procedures to safeguard against unnecessary utilization of care and services, there is an increased risk of unnecessary or inappropriate use of Medicaid services and payments.

Furthermore, the Authority did not meet federal program integrity requirements and could be subject to federal sanctions because it has not established a statewide surveillance and utilization program and does not describe its safeguarding methods and procedures in the Medicaid state plan.

### *Recommendations*

We recommend the Authority:

- Update the Medicaid state plan with the methods and procedures it uses to safeguard against unnecessary utilization of care and services
- Implement and monitor a statewide surveillance and utilization control program
- Implement adequate internal controls to ensure it complies with utilization control and program integrity requirements

## ***Authority's Response***

*The Authority does not concur that it needs to update its Medicaid state plan. The current plan includes methods and procedures used to safeguard against unnecessary utilization of care and services.*

*The Authority agrees that it needs to update and monitor its statewide surveillance and utilization control program. Additionally, the Authority is implementing a new fraud and abuse detection system which will include automated Surveillance and Utilization Review System (SURS) alerts.*

*The Authority agrees that adequate internal controls are necessary to ensure compliance with utilization control and program integrity requirements. The Authority will memorialize its current processes and procedures related to utilization control requirements.*

## ***Auditor's Remarks***

We reaffirm our opinion that the Medicaid state plan does not contain the required elements in 42 CFR Subchapter C *Medical Assistance Programs* Part 456. We will follow up on the status of the Authority's corrective action during our next audit.

## ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 42 CFR Subchapter C *Medical Assistance Programs* Part 456, Utilization Control, states in part:

Section 456.1 Basis and purpose of part.

- (a) This part prescribes requirements concerning control of the utilization of Medicaid services including -
  - (1) A statewide program of control of the utilization of all Medicaid services;
- (b) The requirements in this part are based on the following sections of the Act. Table 1 shows the relationship between these sections of the Act and the requirements in this part.
  - (1) Methods and procedures to safeguard against unnecessary utilization of care and services. Section 1902(a)(30) requires that the State plan provide methods and procedures to safeguard against unnecessary utilization of care and services.

Section 456.2 State plan requirements.

- (a) A State plan must provide that the requirements of this part are met.
- (b) These requirements may be met by the agency by:
  - (1) Assuming direct responsibility for assuring that the requirements of this part are met; or

- (2) Deeming of medical and utilization review requirements if the agency contracts with a QIO to perform that review, which in the case of inpatient acute care review will also serve as the initial determination for QIO medical necessity and appropriateness review for patients who are dually entitled to benefits under Medicare and Medicaid.

#### Section 456.3 Statewide surveillance and utilization control program.

The Medicaid agency must implement a statewide surveillance and utilization control program that -

- (a) Safeguards against unnecessary or inappropriate use of Medicaid services and against excess payments;
- (b) Assesses the quality of those services;
- (c) Provides for the control of the utilization of all services provided under the plan in accordance with subpart B of this part; and
- (d) Provides for the control of the utilization of inpatient services in accordance with subparts C through I of this part.

#### Section 456.4 Responsibility for monitoring the utilization control program.

- (a) The agency must -
  - (1) Monitor the statewide utilization control program;
  - (2) Take all necessary corrective action to ensure the effectiveness of the program;
  - (3) Establish methods and procedures to implement this section;
  - (4) Keep copies of these methods and procedures on file; and
  - (5) Give copies of these methods and procedures to all staff involved in carrying out the utilization control program.

#### Section 456.5 Evaluation criteria.

The agency must establish and use written criteria for evaluating the appropriateness and quality of Medicaid services. This section does not apply to services in hospitals and mental hospitals. For these facilities, see the following sections: §§ 456.122 and 456.132 of subpart C; and § 456.232 of subpart D.

Title 42 CFR Subchapter C *Medical Assistance Programs* Part 456, Utilization Control, Subpart B, Utilization Control: All Medicaid Services states in part:

Section 456.21 Scope.

This subpart prescribes utilization control requirements applicable to all services provided under a State plan.

Section 456.22 Sample basis evaluation of services.

To promote the most effective and appropriate use of available services and facilities the Medicaid agency must have procedures for the on-going evaluation, on a sample basis, of the need for and the quality and timeliness of Medicaid services.

Section 456.23 Post-payment review process.

The agency must have a post-payment review process that -

(a) Allows State personnel to develop and review -

(1) Beneficiary utilization profiles;

(2) Provider service profiles; and

(3) Exceptions criteria; and

(b) Identifies exceptions so that the agency can correct misutilization practices of beneficiaries and providers.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.



# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-051**    **The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it performed periodic audits of cost report data for rate setting, hospital billings and other financial and statistical records for inpatient hospital services.**

<b>CFDA Number and Title:</b>	93.775 State Medicaid Fraud Control Units 93.777 State Survey and Certification of Health Care Providers and Suppliers 93.778 Medical Assistance Program 93.778 COVID-19 – Medical Assistance Program
<b>Federal Grantor Name:</b>	Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	1905WA5MAP; 1905WA5ADM; 2005WA5MAP; 2005WA5ADM; 2005WAINCT; 2005WAIMPL; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component</b>	Special Tests and Provisions – Inpatient Hospital and Long-Term Care Facility Audits
<b>Questioned Cost Amount:</b>	None

### ***Background***

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.1 million eligible low-income Washington residents who otherwise might go without medical care. Medicaid is Washington’s largest public assistance program and usually accounts for about one-third of the state’s federal expenditures. The program spent over \$15.3 billion in federal and state funds during fiscal year 2021.

In fiscal year 2021, the state Medicaid program paid about \$325 million to hospitals for inpatient services.

The Health Care Authority (Authority), the state Medicaid agency, pays for inpatient services to hospitals by using rates that are economic, efficient, and in accordance with the state plan. The

federal grantor requires the Authority to perform periodic audits of the financial and statistical records of participating providers as established in the state plan.

The Medicaid State Plan, Attachment 4.19, lists the financial audit requirements for establishing payment rates for inpatient hospital services. The plan states that cost report data used for rate setting, hospital billings, and other financial and statistical records will be periodically audited.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the most recent audit, we reported the Authority did not have adequate internal controls over and did not comply with requirements to ensure it periodically audited cost report data for inpatient hospital services. The prior finding number was 2020-049.

### ***Description of Condition***

The Authority did not have adequate internal controls over and did not comply with requirements to ensure it performed periodic audits of cost report data for rate setting, hospital billings, and other financial and statistical records for inpatient hospital services.

Although the Authority did perform reconciliations of amounts paid to hospitals for inpatient services based on the amounts the facilities reported, it did not perform periodic audits of cost report data used for rate setting and hospital billings and other financial and statistical records as required in the state plan.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

The Authority did not establish policies and procedures to ensure it performed periodic audits of cost report data, hospital billings, and other financial and statistical records for inpatient hospital services.

### ***Effect of Condition***

By not ensuring that it performs periodic audits of cost report data, hospital billings, and other financial and statistical records, the Authority increases the risk that it could improperly pay for inpatient hospital services.

## ***Recommendation***

We recommend the Authority establish and implement adequate internal controls to ensure it meets federal inpatient hospital audit requirements.

## ***Authority's Response***

*The Authority has implemented internal controls to ensure compliance with federal requirements over inpatient hospital and long-term care facility audits. In May 2021, the Authority implemented a procedure to determine when audits of cost reports are deemed necessary. Effective February 2022, the State Plan was amended to reflect that while audits may be performed by the Authority as it deems necessary, there is not a requirement to do so.*

## ***Auditor's Remarks***

We thank the Authority for its cooperation and assistance throughout the audit. We will follow up on the status of the Authority's corrective action during our next audit.

## ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (b) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 42 *U.S. Code of Federal Regulations (CFR) Part 447, Payments for Services* establishes the following applicable requirements:

Section 447.253 Other requirements states in part:

- (g) Audit requirements. The Medicaid agency must provide for periodic audits of the financial and statistical records of participating providers

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Medicaid State Plan, Attachment 4.19-A Part I Methods and Standards for Establishing Payment Rates for Inpatient Hospital Services, page 60 states in part:

3. Financial Audit Requirements Cost report data used for rate setting will be periodically audited.

In addition, hospital billings and other financial and statistical records will be periodically audited by the agency.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-052 The Health Care Authority did not have adequate internal controls over and did not comply with requirements to report recoveries of fraudulent overpayments on the CMS-64 report.**

<b>CFDA Number and Title:</b>	93.775 State Medicaid Fraud Control Units 93.777 State Survey and Certification of Health Care Providers and Suppliers 93.778 Medical Assistance Program 93.778 COVID-19 – Medical Assistance Program
<b>Federal Grantor Name:</b>	U. S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	1905WA5MAP; 1905WA5ADM; 2005WA5MAP; 2005WA5ADM; 2005WAINCT; 2005WAIMPL; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Special Tests and Provisions – Medicaid Fraud Control Unit (MFCU)
<b>Known Questioned Cost Amount:</b>	\$78,774

### ***Background***

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.1 million eligible low-income Washington residents who otherwise might go without medical care. Medicaid is Washington’s largest public assistance program and usually accounts for about one-third of the state’s federal expenditures. The program spent over \$15.3 billion in federal and state funds during fiscal year 2021.

The Health Care Authority (Authority) is required to refer suspected fraud or other criminal violations to the Medicaid Fraud Control Division (MFCD) for investigation and prosecution. The Authority reports any overpayment recoveries resulting from MFCD actions on the CMS-64 report.

The CMS-64 report is the quarterly statement of Medicaid Program expenditures that agencies use to report the actual program benefit costs and administrative expenses to the Centers for Medicare

& Medicaid Services (CMS). CMS uses this information to compute the federal financial participation (FFP) for the state's Medicaid Program costs.

When MFCD completes an investigation, it sends the settlement over to the Authority for management review and signature. After a final judgement is made on an overpayment resulting from fraud, the State has 30 days to refund the entire federal share. Once the Authority receives the settlement, a Journal Voucher (JV) is created to move the federal portion of the settlement over to state-only funding, which creates a credit on the CMS-64 report.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the most recent audit, we reported the Authority did not have adequate internal controls over and did not comply with requirements to report MCFD overpayment recoveries on the CMS-64 report. The prior finding number was 2020-050.

### ***Description of Condition***

The Authority did not have adequate internal controls over and did not comply with requirements to report recoveries of fraudulent overpayments on the CMS-64 report.

Our audit found the Authority did not create a JV to move the entire federal portion of the fraud settlement over to state-only funding or report the entire overpayment on the CMS-64 report as a credit. Instead the Authority only created JVs of the payments as they were made to the State. Additionally, the Authority did not have policies and procedures in place that described the process staff should follow for creating the JV or for reporting the MFCD overpayments on the CMS-64 report.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

Management did not implement sufficient internal controls to ensure the Authority returned recoveries of fraudulent overpayments to the grantor in a timely manner.

### ***Effect of Condition and Questioned Costs***

For fiscal year 2021, the Authority received a settlement agreement totaling \$161,050 in fraudulent overpayments. The federal portion of this amount was \$79,915. The Authority created JVs and reported \$1,141 of the \$79,915 federal portion on the CMS-64 report dated June 30, 2021. A JV for the entire federal portion should have been processed and reported on the March 31, 2021

CMS-64 report. We are questioning the costs of \$78,774 that the Authority did not report on the CMS-64 report or return to CMS, as federal regulations require.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Authority:

- Establish a formal process to ensure it properly reports recoveries of fraudulent overpayments on the quarterly CMS-64 report
- Consult with the federal grantor about whether or not the questioned costs identified in the finding should be repaid

### ***Authority's Response***

*The Authority concurs with the finding. We would like to point out a small correction to the amount identified as questioned costs. The Authority has returned a total of \$1,365 in federal funds rather than the \$1,141 identified by the auditor. \$1,216 was returned in federal fiscal year 2021, and \$149 was returned in federal fiscal year 2022. This is a slight reduction of \$224 to the questioned cost amount that should total \$78,550.*

### ***Auditor's Remarks***

We thank the Authority for its cooperation and assistance throughout the audit. We will follow up on the status of the Authority's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.1 Definitions, states in part:

*Improper payment* means:

- 4) Any payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other *legally applicable* requirements.
- (x) Incorrect amounts are overpayments or underpayments that are made to eligible recipients (including inappropriate denials of payment or service,



any payment that does not account for credit for applicable discounts, payments that are for an incorrect amount, and duplicate payments). An improper payment also includes any payment that was made to an ineligible recipient or for an ineligible good or service, or payments for goods or services not received (except for such payments authorized by law).

*Note 1 to paragraph (1)(i) of this definition.* Applicable discounts are only those discounts where it is both advantageous and within the agency's control to claim them.

- (xi) When an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation, this payment should also be considered an improper payment. When establishing documentation requirements for payments, agencies should ensure that all documentation requirements are necessary and should refrain from imposing additional burdensome documentation requirements.
  - (xii) Interest or other fees that may result from an underpayment by an agency are not considered an improper payment if the interest was paid correctly. These payments are generally separate transactions and may be necessary under certain statutory, contractual, administrative, or other legally applicable requirements.
  - (iv) A “questioned cost” (as defined in this section) should not be considered an improper payment until the transaction has been completely reviewed and is confirmed to be improper.
  - (v) The term “payment” in this definition means any disbursement or transfer of Federal funds (including a commitment for future payment, such as cash, securities, loans, loan guarantees, and insurance subsidies) to any non-Federal person, non-Federal entity, or Federal employee, that is made by a Federal agency, a Federal contractor, a Federal grantee, or a governmental or other organization administering a Federal program or activity.
  - (vi) The term “payment” includes disbursements made pursuant to prime contracts awarded under the Federal Acquisition Regulation and Federal awards subject to this part that are expended by recipients.
- (2) See definition of improper payment in OMB Circular A-123 appendix C, part I A (1) “What is an improper payment?” Questioned costs, including those identified in audits, are not an improper payment until reviewed and confirmed to be improper as defined in OMB Circular A-123 appendix C.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

Title 42 U.S. Code of Federal Regulations Part 433, State Fiscal Administration, Subpart F – Refunding of Federal Share of Medicaid Overpayments to Providers states in part:

Section 433.300 Basis.

This subpart implements -

- (a) Section 1903(d)(2)(A) of the Act, which directs that quarterly Federal payments to the States under title XIX (Medicaid) of the Act are to be reduced or increased to make adjustment for prior overpayments or underpayments that the Secretary determines have been made.
- (b) Section 1903(d)(2)(C) and (D) of the Act, which provides that a State has 1 year from discovery of an overpayment for Medicaid services to recover or attempt to recover the overpayment from the provider before adjustment in the Federal Medicaid payment to the State is made; and that adjustment will be made at the end of the 1-year period, whether or not recovery is made, unless the State is unable to recover from a provider because the overpayment is a debt that has been discharged in bankruptcy or is otherwise uncollectable.
- (c) Section 1903(d)(3) of the Act, which provides that the Secretary will consider the pro rata Federal share of the net amount recovered by a State during any quarter to be an overpayment.

Section 433.312 Basic requirements for refunds.

(a) *Basic rules.*

- (1) Except as provided in paragraph (b) of this section, the State Medicaid agency has 1 year from the date of discovery of an overpayment to a provider to recover or seek to recover the overpayment before the Federal share must be refunded to CMS.
  - (2) The State Medicaid agency must refund the Federal share of overpayments at the end of the 1-year period following discovery in accordance with the requirements of this subpart, whether or not the State has recovered the overpayment from the provider.
- (b) *Exception.* The agency is not required to refund the Federal share of an overpayment made to a provider when the State is unable to recover the overpayment amount because the provider has been determined bankrupt or out of business in accordance with § 433.318.

Section 433.316 When discovery of overpayment occurs and its significance.

- (a) *General rule.* The date on which an overpayment is discovered is the beginning date of the 1-year period allowed for a State to recover or seek to recover an overpayment before a refund of the Federal share of an overpayment must be made to CMS.
- (b) *Requirements for notification.* Unless a State official or fiscal agent of the State chooses to initiate a formal recoupment action against a provider without first giving written notification of its intent, a State Medicaid agency official or other State official must notify the provider in writing of any overpayment it discovers in accordance with State agency policies and procedures and must take reasonable actions to attempt to recover the overpayment in accordance with State law and procedures.
- (c) *Overpayments resulting from situations other than fraud.* An overpayment resulting from a situation other than fraud is discovered on the earliest of - -
  - (1) The date on which any Medicaid agency official or other State official first notifies a provider in writing of an overpayment and specifies a dollar amount that is subject to recovery;
  - (2) The date on which a provider initially acknowledges a specific overpaid amount in writing to the medicaid agency; or
  - (3) The date on which any State official or fiscal agent of the State initiates a formal action to recoup a specific overpaid amount from a provider without having first notified the provider in writing.
- (d) *Overpayments resulting from fraud.*
  - (1) An overpayment that results from fraud is discovered on the date of the final written notice (as defined in § 433.304 of this subchapter) of the State's overpayment determination.
  - (2) When the State is unable to recover a debt which represents an overpayment (or any portion thereof) resulting from fraud within 1 year of discovery because no final determination of the amount of the overpayment has been made under an administrative or judicial process (as applicable), including as a result of a judgment being under appeal, no adjustment shall be made in the Federal payment to such State on account of such overpayment (or any portion thereof) until 30 days after the date on which a final judgment (including, if applicable, a final determination on an appeal) is made.

- (3) The Medicaid agency may treat an overpayment made to a Medicaid provider as resulting from fraud under subsection (d) of this section only if it has referred a provider's case to the Medicaid fraud control unit, or appropriate law enforcement agency in States with no certified Medicaid fraud control unit, as required by § 455.15, § 455.21, or § 455.23 of this chapter, and the Medicaid fraud control unit or appropriate law enforcement agency has provided the Medicaid agency with written notification of acceptance of the case; or if the Medicaid fraud control unit or appropriate law enforcement agency has filed a civil or criminal action against a provider and has notified the State Medicaid agency.
- (e) *Overpayments identified through Federal reviews.* If a Federal review at any time indicates that a State has failed to identify an overpayment or a State has identified an overpayment but has failed to either send written notice of the overpayment to the provider that specified a dollar amount subject to recovery or initiate a formal recoupment from the provider without having first notified the provider in writing, CMS will consider the overpayment as discovered on the date that the Federal official first notifies the State in writing of the overpayment and specifies a dollar amount subject to recovery.
- (f) *Effect of changes in overpayment amount.* Any adjustment in the amount of an overpayment during the 1-year period following discovery (made in accordance with the approved State plan, Federal law and regulations governing Medicaid, and the appeals resolution process specified in State administrative policies and procedures) has the following effect on the 1-year recovery period:
- (1) A downward adjustment in the amount of an overpayment subject to recovery that occurs after discovery does not change the original 1-year recovery period for the outstanding balance.
  - (2) An upward adjustment in the amount of an overpayment subject to recovery that occurs during the 1-year period following discovery does not change the 1-year recovery period for the original overpayment amount. A new 1-year period begins for the incremental amount only, beginning with the date of the State's written notification to the provider regarding the upward adjustment.
- (g) *Effect of partial collection by State.* A partial collection of an overpayment amount by the State from a provider during the 1-year period following discovery does not change the 1-year recovery period for the balance of the original overpayment amount due to CMS.
- (h) *Effect of administrative or judicial appeals.* Any appeal rights extended to a provider do not extend

Section 433.320 Procedures for Refunds to CMS.

(a) Basic requirements.

- (1) The agency must refund the Federal share of overpayments that are subject to recovery to CMS through a credit on its Quarterly Statement of Expenditures (Form CMS-64).
- (2) The agency must credit CMS with the Federal share of overpayments subject to recovery on the earlier of -
  - (i) The Form CMS-64 submission due to CMS for the quarter in which the State recovers the overpayment from the provider; or
  - (ii) The Form CMS-64 due to CMS for the quarter in which the 1-year period following discovery, established in accordance with § 433.316, ends.
- (3) A credit on the Form CMS-64 must be made whether or not the overpayment has been recovered by the State from the provider.
- (4) If the State does not refund the Federal share of such overpayment as indicated in paragraph (a)(2) of this section, the State will be liable for interest on the amount equal to the Federal share of the non-recovered, non-refunded overpayment amount. Interest during this period will be at the Current Value of Funds Rate (CVFR), and will accrue beginning on the day after the end of the 1-year period following discovery until the last day of the quarter for which the State submits a CMS-64 report refunding the Federal share of the overpayment.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation

exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.



# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-053 The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls to ensure it complied with nursing home survey statement of deficiencies and plan of corrections timelines.**

**CFDA Number and Title:** 93.775 State Medicaid Fraud Control Units  
93.777 State Survey and Certification of Health Care Providers and Suppliers  
93.777 COVID-19 – State Survey and Certification of Health Care Providers and Suppliers  
93.778 Medical Assistance Program  
93.778 COVID-19 – Medical Assistance Program

**Federal Grantor Name:** U.S. Department of Health and Human Services

**Federal Award Number:** 1905WA5MAP; 1905WA5ADM; 2005WA5MAP; 2005WA5ADM; 2005WAINCT; 2005WAIMPL; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM

**Pass-through Entity Name:** None

**Pass-through Award/Contract Number:** None

**Applicable Compliance Component:** Special Tests and Provisions – Provider Health and Safety Standards

**Known Questioned Cost Amount:** None

### ***Background***

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.1 million eligible low-income Washington residents who otherwise might go without medical care. Medicaid is Washington’s largest public assistance program and usually accounts for about one-third of the State’s federal expenditures. The program spent about \$15.3 billion in federal and state funds during fiscal year 2021.

Residential Care Services, under the Department of Social and Health Services’ Aging and Long-Term Support Administration, is the State’s nursing home survey agency. A nursing home facility is an institution with the primary purpose of providing 24-hour supervised nursing care, personal care, therapy, nutrition management, organized activities, social services, room, board and laundry to people who receive care and services under Medicaid.

The survey for certifying a nursing facility is a resident-centered inspection that gathers information about the facility's quality of service to determine whether the facility complies with state and federal requirements. The survey focuses on the nursing home's administration and patient services. The survey also assesses compliance with federal health, safety and quality standards designed to ensure patients receive safe and quality care.

The Centers for Medicare and Medicaid Services require the state to complete standard surveys for nursing facilities. If a survey uncovers deficiencies, the Department must deliver a statement of deficiency (SOD) to the facility within 10 working days of the survey date. The facility must then submit a plan of correction (POC) for all compliance issues that occurred. The Department then determines if the POC for each individual compliance issue is acceptable. If the nursing facility does not correct the issue within 60 calendar days of receiving the SOD, the facility risks forfeiting its Medicaid certification. Staff members monitor the receipt of POCs and inform team coordinators when POCs are ready for review.

In addition to federal requirements, the Department has established its own policies and procedures requiring that it review a POC within five working days of receiving it. The Department uses the Electronic Plan of Correction System to monitor and track these requirements. They ensure they meet the timelines by running a weekly SOD report. The report is sent to field managers for review to ensure that SODs and POCs are sent within the appropriate timelines.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In prior audits we reported the Department did not have adequate internal controls to ensure it complied with federal requirements for completing nursing home recertification surveys in a timely manner. The prior finding number was 2020-054.

### *Description of Condition*

The Department did not have adequate internal controls to ensure it complied with nursing home survey SOD and POC timelines.

The Department complied with its own policies and procedures regarding sending SODs and POCs within certain timelines. However, the internal control used to track federal requirements for SODs and POCs was either not followed or not adequately documented.

We used a non-statistical sampling method to randomly select 11 of the 49 weekly nursing home unit SOD reports that occurred during the audit period. During our review, we could not verify nine (82 percent) weekly SOD reports were processed and reviewed by the Field Manager as required.

We consider this internal control deficiency to be a material weakness.

### ***Cause of Condition***

During the audit period, the Department used an outdated management bulletin procedure. Processes and procedures had changed over the years in some regions and not all regions were able to verify that the Weekly SOD reports were processed and reviewed.

### ***Effect of Condition***

By not establishing and following adequate internal controls, the Department is at a higher risk of not meeting federal Medicaid requirements and its own policies and could be subject to sanction by the grantor.

### ***Recommendation***

We recommend the Department improve its monitoring to ensure all Regions follow established policies and procedures.

### ***Department's Response***

*The Department partially agrees with the finding.*

*The Department agrees we were not in compliance with Management Bulletin 15-081 which stated an AA3 will provide the SOD report to the Field Manager (FM) and the FM will review for any SODs that were not sent out within ten working days.*

*However, we do not agree our internal controls are not adequate, as proven by the fact there were zero exceptions identified during compliance testing. The Electronic Plan of Correction (ePOC) application for nursing homes was implemented at RCS in April 2017. The ePOC application automated the distribution of the federal SOD via a secure website created by the Centers for Medicare and Medicaid Services. The implementation of ePOC eliminated the need for the AA3 to provide the SOD report to the FM because ePOC automatically sends e-mail notifications daily to the Regional Administrator, FM, and AA3, notifying them if it has been nine days past the exit date in ASPEN and a SOD has not been sent to the nursing facility.*

*Field Managers will continue to follow up on all ePOC e-mail notifications to ensure compliance with SOD and POC deadlines. Management Bulletin 15-081 will be rescinded by June 30, 2022, as it is no longer applicable.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will follow up on the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

Title 42 U.S. Code of Federal Regulations, Subpart E *Survey and Certification of Long-Term Care Facilities* Section 488.308 Survey frequency, states in part:

- (a) *Basic Period.* The survey agency must conduct a standard survey of each SNF and NF not later than 15 months after the last day of the previous standard survey
- (b) *Statewide average interval.*
  1. The statewide average interval between standard surveys must be 12 months or less, computed in accordance with paragraph (d) of this section
- (d) *Computation of statewide average interval.* The statewide average interval is computed at the end of each Federal fiscal year by comparing the last day of the most recent

standard survey for each participating facility to the last day of each facility's previous standard survey.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The Centers for Medicare and Medicaid Services, State Operations Manual, Chapter 2 – The Certification Process, states in part:

2138G – Schedule for Recertification

The SA completes a recertification survey an average of every 12 months and at least once every 15 months (see Section 2141)

## 2728 – Statement of Deficiencies and Plan of Correction, Form-2567

The SA mails the provider/supplier a copy of form CMS-2567 within 10 working days after the survey. If there are deficiencies, the SA allows the provider/supplier 10 calendar days to complete and return the POC. Requirements pertaining to the submittal of the POC can be found in subsection B.

The Department of Social and Health Services, Residential Care Services Division *Standard Operating Procedure: Enforcement Chapter 7B3, states in part:*

### Background

The Department will review the ePOC with 5 working days of receipt and will verify that it is acceptable. The NH may specify in the ePOC that they are not in agreement with the findings within the SOD report but this does not alter the NH's responsibility to submit an acceptable ePOC.

### Off-site POC Review

The Surveyor will:

1. Review the ePOC within five (5) working days of receipt and confirm that the POC for each deficiency includes:
  - a. How the NH will correct the deficiency for each numbered resident;
  - b. How the NH will protect residents from similar situations
  - c. Measures the NH will take or the systems it will change to ensure that the problem does not recur;
  - d. How the NH plans to monitor its ongoing performance to sustain compliance;
  - e. Dates corrective action will be completed; and
  - f. Title of person responsible for correction

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

**2021-054 The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over and did not comply with requirements to ensure timely investigation of complaints of client abuse and neglect at Medicaid residential facilities.**

<b>CFDA Number and Title:</b>	93.775 State Medicaid Fraud Control Units 93.777 State Survey and Certification of Health Care Providers and Suppliers 93.778 Medical Assistance Program 93.778 COVID-19 – Medical Assistance Program
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	1905WA5MAP; 1905WA5ADM; 2005WA5MAP; 2005WA5ADM; 2005WAINCT; 2005WAIMPL; 2105WAINCT; 2105WAIMPL; 2105WA5MAP; 2105WA5ADM;
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Special Tests and Provisions – Provider Health and Safety Standards
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

Medicaid is a jointly funded state and federal partnership providing coverage for about 2.1 million eligible low-income Washington residents who otherwise might go without medical care. Medicaid is Washington’s largest public assistance program and usually accounts for about one-third of the state’s federal expenditures. The program spent over \$15.3 billion in federal and state funds during fiscal year 2021.

The Centers for Medicare and Medicaid Services (CMS), which administers the program at the federal level, allows states to provide long-term care services to Medicaid clients that require daily nursing services. Medicaid coverage for nursing homes and intermediate care facilities for intellectually disabled clients is only authorized when services are provided in a residential facility licensed and certified by the state survey agency. The state survey agency is also responsible for investigating complaints and allegations of abuse, neglect or misappropriation.

Residential Care Services, under the Department of Social and Health Services’s Aging and Long-Term Support Administration (Department), is the state’s long-term care facility survey agency. Residential Care Services manages the Complaint Resolution Unit (Unit), which is the frontline response system for providing the intake and assignment functions for complaints from staff, residents, families and the public.

The Unit receives two types of complaints, also known as reports: 1) complaints from Department staff, the public, government agencies, or law enforcement and 2) reports from facilities. People can submit complaints to the Unit by phone, mail, email, fax or online. The Unit responds to complaints received on holidays and after hours on the next business day. The Unit uses the Tracking Incidents of Vulnerable Adults (TIVA) case management system to input, prioritize and track complaints. A program specialist performs an initial review of complaints before entering them into TIVA. Clinical triage nurses determine the final priority assignment of all nursing home and intermediate care facility complaints.

The following table lists the five different priority levels for new complaints and the respective response times. During the COVID-19 pandemic, CMS guidance allowed states to work only on complaints with Immediate Jeopardy and Nonimmediate Jeopardy-High Priority levels.

Priority levels	Required response times
Immediate Jeopardy	Initiate investigation within 2 working days of receipt
Nonimmediate Jeopardy-High	Initiate investigation within 10 working days of prioritization
Nonimmediate Jeopardy-Medium	Initiate investigation within 20 working days of prioritization
Nonimmediate Jeopardy-Low	Initiate investigation within 45 working days of prioritization
Quality Review	Field Manager Review

The CMS *State Operations Manual* requires each complaint to be triaged by someone who is professionally qualified to evaluate the nature of the problem based on their experience and knowledge of current clinical standards of practice and federal requirements. Unit intake staff review, research, and prioritize complaints to ensure the level of response corresponds to the severity of the allegation. If necessary, the Unit assigns complaints to the Department’s field unit offices within two working days of knowledge of the complaint. Field staff investigate the complaints and follow up on them within the specified time frame as determined by the severity of the concerns noted.



In fiscal year 2021, the Department received 46,231 complaints. Of these, 14,597 were related to nursing homes and 1,155 were related to intermediate care facilities for intellectually disabled people. The following table shows the number of Immediate Jeopardy and Nonimmediate Jeopardy-High Priority complaints for both providers.

Provider Type	Immediate Jeopardy Complaints Received	Nonimmediate Jeopardy-High Priority Complaints Received
Nursing Home	1,433	3,765
Intermediate Care Facility for the Intellectually Disabled	17	187
Combined Total	1,450	3,952

Federal regulations require recipients to establish and follow internal controls that ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### *Description of Condition*

The Department did not have adequate internal controls over and did not comply with requirements to ensure timely investigation of complaints of client abuse and neglect at Medicaid residential facilities.

We evaluated all Immediate Jeopardy and Nonimmediate Jeopardy-High Priority TIVA complaints that occurred during fiscal year 2021 to ensure they met the required timelines for initiating an investigation. We found the Department did not initiate investigations timely for 42 of the Immediate Jeopardy complaints (2.9 percent) and 207 of the Nonimmediate Jeopardy-High Priority complaints (5.2 percent). For Immediate Jeopardy complaints, the Department initiated investigations between 4 to 72 days after receipt. For Nonimmediate Jeopardy-High Priority complaints, the Department initiated investigations between 12 to 131 days after receipt.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

The Department had limited staffing resources and received a large increase of COVID-19-related complaints. As a result, staff was unable to follow up on all complaints by the required response times.

### ***Effect of Condition***

When the Department does not prioritize and investigate complaints timely, vulnerable residents at nursing homes and intermediate care facilities are at a higher risk of abuse, neglect and financial exploitation.

### ***Recommendation***

We recommend the Department strengthen its internal controls to ensure it investigates complaints timely, as federal regulations require.

### ***Department's Response***

*The Department partially agrees with the finding.*

*We agree that not all complaint investigations were initiated within the required timeframes. However, we do not agree that it is due to inadequate internal controls. Residential Care Services (RCS) has effectively used our current internal controls since FY2017, when we received the SAO Stewardship Award related to this audit area.*

*Compliance with required timeframes declined due to the increase of 3,195 complaints from the previous fiscal year that were assigned for investigation and the staff vacancy rate. The effects of the COVID-19 pandemic including exposure, illness, and staff resignation due to vaccination mandates, increased staff vacancy to the rate of 24%.*

*In general, a 2-day response is related to an allegation of a life-threatening situation that has caused, or is at risk of causing, substantial harm of such consequence that urgent intervention is necessary. The Department categorized all COVID-19 complaints related to the pandemic a 2-day response in TIVA for tracking purposes, which further impacted workload.*

*Residential Care Services will continue to use our current internal controls, in addition to hiring and training new staff to fill the vacant positions. This will ensure compliance with investigation timeframes.*

### ***Auditor's Remarks***

We thank the Department for its cooperation and assistance throughout the audit. We will follow up on the status of the Department's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), section 516, Audit findings, establishes reporting requirements for audit findings.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (b) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follow:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

The Centers for Medicare and Medicaid Services, *State Operations Manual* Chapter 5 – Complaint Procedures, states in part:

#### Section 5010 –General Intake Process

A complaint is an allegation of noncompliance with Federal and/or State requirements. If the SA determines that the allegation(s) falls within the authority of the SA, the SA determines the severity and urgency of the allegations, so that appropriate and timely action can be pursued. Each SA is expected to have written policies and procedures to ensure that the appropriate response is taken for each complaint. This structure needs to include response timelines and a process to document actions taken by the SA in response to complaints. If a State’s time frames for the investigation of a complaint/incident are more stringent than the Federal time frames, the intake is prioritized using the State’s timeframes. The SA is expected to be able to share the logic and rationale that was utilized in prioritizing the complaint for investigation. The SA response must be designed to protect the health and safety of all residents, patients, and clients.

#### Section 5070 –Priority Assignment for Nursing Homes, Deemed and Non-Deemed Non-Long Term Care Providers/ Suppliers, and EMTALA

An assessment of each complaint or incident intake must be made by an individual who is professionally qualified to evaluate the nature of the problem based upon his/her knowledge of Federal requirements and his/her knowledge of current clinical standards of practice. In situations where a determination is made that immediate jeopardy may be present and ongoing, the SA is required to start the on-site investigation within two working days of receipt of the complaint or incident report in the case of a deemed provider or supplier, within two working days of RO authorization for investigation. For all non-immediate jeopardy situations, the complaint/incident is prioritized within two working days of its receipt, unless there are extenuating circumstances that impede the collection of relevant information.

The Department of Social and Health Services, Residential Care Services Division *Standard Operating Procedure: Complaint Resolution Unit* Chapter 4A20, states in part:

#### Procedure

- A. CRU staff will prioritize complaint intakes using the following guidelines:
  1. **2 working days (Immediate Jeopardy)** – A situation in which the provider’s noncompliance with one or more requirements of participation has caused, or is likely to cause, serious injury, harm, impairment, or death to a resident. Immediate corrective action is necessary

2. **10 working days (Non Immediate Jeopardy-High)** – The alleged noncompliance may have caused harm that negatively impacts the individual’s mental, physical and/or psychosocial status and are of such consequence to the person’s well-being, the SA conducts a rapid response. Usually, specific rather than general information (such as, descriptive identifiers, individual names, date/time/location of occurrence, description of harm, etc.) factors into the assignment of this level of priority.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-055 The Health Care Authority improperly charged \$100,000 to the Block Grants for Prevention and Treatment of Substance Abuse.**

<b>CFDA Number and Title:</b>	93.959 Block Grants for Prevention and Treatment of Substance Abuse
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2B08TI010056-19, 1B08TI083138-01,6B08Ti083486-01M002, 1B08TI083519-01
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Activities Allowed or Unallowed Allowable Costs/Cost Principles
<b>Known Questioned Cost Amount:</b>	\$100,000

### ***Background***

The Health Care Authority (Authority), Division of Behavioral Health and Recovery, administers the Block Grants for Prevention and Treatment of Substance Abuse. The Authority provides federal funds to counties, tribes, nonprofit organizations and other state agencies to develop prevention programs and provide treatment and support services. The Authority spent more than \$48.7 million in grant funds during fiscal year 2021.

The Authority is responsible for ensuring it uses grant money only for costs that are allowable, related to the grant's purpose and incurred during the grant period, as specified in the grant's terms and conditions. At the beginning of the federal fiscal year, and whenever the Authority receives a new federal grant, it establishes new cost objectives and allocation codes to ensure it charges expenditures to the proper grant. Before paying an invoice, program managers are responsible for reviewing supporting documentation to determine if the services were allowable for that grant. Fiscal managers are responsible for ensuring that payments are coded to the correct time period.

### ***Description of Condition***

We found the Authority had adequate internal controls to ensure material compliance with requirements over payments to providers. However, we found the Authority improperly charged \$100,000 to the Block Grants for Prevention and Treatment of Substance Abuse.

We used a statistical sampling method to randomly select and examine 57 of 694 payments to providers and contractors. We examined the supporting documentation for each payment to ensure it was allowable and for a service that took place during the period of performance. We found the Authority made one payment for a service that was provided after the period of performance for the grant.

Federal regulations require the auditor to issue a finding when the known or estimated questioned costs identified in a Single Audit exceed \$25,000. As stated in the Effect of Condition and Questioned Costs section below, we are issuing this finding because the known questioned costs exceed that threshold.

This issue was not reported as a finding in the prior audit.

### *Cause of Condition*

Staff followed procedures for approving the reimbursement. However, multiple reviews did not detect that the payment did not meet the period of allowability for the grant.

### *Effect of Condition and Questioned Costs*

The Authority improperly charged the grant for a \$100,000 payment to a provider. Based on this unallowable payment, we estimate the likely questioned costs for this grant to be \$438,889.

Our sampling methodology meets statistical sampling criteria under generally accepted auditing standards in AU-C 530.05. It is important to note that the sampling technique we used is intended to support our audit conclusions by determining if expenditures complied with program requirements in all material respects. Accordingly, we used an acceptance sampling formula designed to provide a high level of assurance, with a 95 percent confidence of whether exceptions exceeded our materiality threshold. Our audit report and finding reflects this conclusion. However, the likely improper payment projections are a point estimate and only represent our “best estimate of total questioned costs” as required by 2 CFR 200.516(3).

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### *Recommendations*

We recommend the Authority:

- Ensure payments to providers and contractors meet the period of allowability
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid



## ***Authority's Response***

*We concur with this finding. HCA will ensure payments to providers and contracts meet the period of availability. We will also consult with the grantor regarding the questioned costs.*

## ***Auditor's Remarks***

We thank the Authority for its cooperation and assistance during the audit. We will review the status of the Authority's corrective action during our next audit.

## ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.

- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-056 The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it met the earmarking requirement for the Block Grants for Prevention and Treatment of Substance Abuse.**

<b>CFDA Number and Title:</b>	93.959 Block Grants for Prevention and Treatment of Substance Abuse
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2B08TI010056-19; 2B08TI010056-19S1
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Earmarking
<b>Known Questioned Cost Amount:</b>	\$684,129

### ***Background***

The Health Care Authority (Authority), Division of Behavioral Health and Recovery, administers the Block Grants for Prevention and Treatment of Substance Abuse. The Authority provides federal funds to counties, tribes, nonprofit organizations and other state agencies to develop prevention programs and provide treatment and support services. In fiscal year 2021, the Authority spent more than \$48.7 million in federal program funds.

Federal regulations require the Authority to spend no more than 5 percent of the federal program funds on administrative costs of the grant. Federal regulations also require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Authority did not have adequate internal controls over and did not comply with requirements to ensure it met the earmarking requirement for the Block Grants for Prevention and Treatment of Substance Abuse.

To monitor the administrative earmarking requirement, the Authority has staff run monthly reports from its accounting system to determine if it is on track to meet the 5 percent administrative cost maximum by the time the grant closes. Upon closing a grant, the Authority also runs a final report

to ensure it met the requirement. However, we found that during the audit period, the Authority closed the federal fiscal year 2019 grant while having exceeded the 5 percent administrative cost maximum.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

Throughout the year, staff ran the required monthly reports and noted the Authority was not meeting the requirement. However, management did not take action to correct the noncompliance throughout the year or before closing the federal fiscal year 2019 grant. The Authority stated the reason it did not reconcile grant expenditures to the accounting records in a timely manner was due to staff vacancies, workload and training.

### ***Effect of Condition and Questioned Costs***

The Authority was awarded \$37,790,646 for the federal fiscal year 2019 grant. Therefore, it was allowed to spend up to \$1,889,523 on administrative costs. However, it spent \$2,573,652, which exceeded the administrative cost maximum by \$684,129. As a result, we are questioning the \$684,129 in unallowable administrative costs.

By not establishing adequate internal controls, the Authority cannot ensure it meets the administrative earmarking requirement. By not complying with federal requirements, the Authority risks having to repay federal funds or having future federal funds withheld.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Authority:

- Improve internal controls to ensure it does not exceed the maximum allowable amount for administrative costs at the end of the award period
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.

### ***Authority's Response***

*We believe there are two different issues here. We do concur that accounting adjustments that are part of the reconciliation process were not made to the state's records to align expenditures with*

*the final federal report in a timely fashion. This was due to staff vacancies, workload, and training. Staff are aware of what can be reported and the corrections that are needed to the accounting records as part of reconciling the award. We do not agree that the SF-425 was reported with a 6.8% administration to SAMHSA, therefore we do not agree with the questioned costs associated with this finding. The final SF-425 was reported fully expended with an administration charge of 5% as explained to SAO. The referenced 6.8% indicated the amount of expenditures that were ineligible and needed to be moved out of the award. The expenditures were moved but not in a timely fashion.*

### ***Auditor's Remarks***

At the time the Authority submitted its final SF-425 report, the administrative costs that were identified as charged to the grant exceeded the allowed maximum by \$684,129. In addition, the expenditures in question were still charged to the grant in the accounting system as of the end of the audit period, which was six months after the final report was submitted. As stated above, we recommend the Authority consult with the federal grantor to discuss whether the questioned cost reported in the finding need to be repaid.

We reaffirm our finding and will review the status of the Authority's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 45 *U.S. Code of Federal Regulations* Part 96.135 Restrictions on expenditure of grant, states in part:

(b) The State shall limit expenditures on the following:

(1) The State involved will not expend more than 5 percent of the grant to pay the costs of administering the grant

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 Improper Payments states:

(a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and

(b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or

service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.

- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report

known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a



violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-057 The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure payments made under the Block Grants for Prevention and Treatment of Substance Abuse program met the period of performance.**

<b>CFDA Number and Title:</b>	93.959, Block grants for Prevention and Treatment of Substance Abuse
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2B08TI010056-19; 2B08TI010056-19S1
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Period of Performance
<b>Known Questioned Cost Amount:</b>	\$54,385

### ***Background***

The Health Care Authority (Authority), Division of Behavioral Health and Recovery, administers the Block Grants for Prevention and Treatment of Substance Abuse. The Authority provides federal funds to counties, tribes, nonprofit organizations and other state agencies to develop prevention programs and provide treatment and support services. The Authority spent more than \$48.7 million in grant funds during fiscal year 2021.

The Authority can use grant funds only for costs that are incurred during the period of performance, as specified in the grant's terms and conditions. The Authority has 90 days after the last day of the period of performance to liquidate grant expenditures and close the grant. At this point, all expenditures are final, and the Authority should no longer have any activity related to the grant in its accounting system.

At the beginning of each federal fiscal year and whenever the Authority receives a new federal grant, it establishes new cost objectives and allocation codes to ensure expenditures are charged to the proper grants. When the Authority receives reimbursement requests, program managers are responsible for reviewing supporting documentation to determine if the services billed meet the period of performance requirements under the grant. Fiscal managers are also responsible for ensuring that payments are coded to the correct time period.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported the Authority did not have adequate internal controls to ensure payments made under the Block Grants for Prevention and Treatment of Substance Abuse program met the period of performance requirements. The prior finding number was 2020-059.

### ***Description of Condition***

The Authority did not have adequate internal controls over and did not comply with requirements to ensure payments made under the Block Grants for Prevention and Treatment of Substance Abuse program met the period of performance.

The federal fiscal year 2019 grant closed during our audit period. We judgmentally selected 15 of 900 payments the Authority made with program funds during the 90-day grant liquidation period, and examined the supporting documentation for each payment to ensure the expenditure took place during the period of performance. We found three payments (20 percent) that the Authority made during the liquidation period were for services and purchases that had occurred after the period of performance.

We also determined the Authority continued to add and reduce expenditures charged to the grant after the liquidation period ended, through the remaining six months of the audit period and into the next state fiscal year. During this period, we noted the Authority made the following adjustments to the three program expenditure categories:

	<b>Expenditures Added</b>	<b>Expenditures Removed</b>	<b>Net Change</b>
Prevention	\$437,670	\$(789,951)	\$(352,281)
Treatment	\$95,667	\$(211,848)	\$(116,181)
Administrative	\$262,637	\$(2,510)	\$260,127
<b>Total</b>	<b>\$795,974</b>	<b>\$(1,004,309)</b>	<b>\$(208,335)</b>

We noted the administrative cost was the largest net addition to the grant expenditures and that the costs being added and reduced were not the same expenditures. Since the expenditures reduced and added were not the same, the composition of the grant expenditure population changed after the grant closed and the Authority had submitted a final report to the grantor.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

The Authority did not establish an effective review and approval process to ensure the payments it made with program funds met period of performance requirements. Management allowed program staff to continue adjusting the grant accounting records despite the liquidation period ending and the award closing.

### ***Effect of Condition and Questioned Costs***

By not having adequate internal controls in place, the Authority is at a higher risk of making improper payments.

The Authority reduced the federal fiscal year 2019 grant expenditures by \$208,335 during the remaining six months of the audit period and after the grant had closed. This reduction was the result of an additional \$795,974 charged to, and \$1,004,309 in different expenditures reversed from the grant. Therefore, the expenditures for the federal fiscal year 2019 grant that we tested for period of performance requirements had changed after the grant closed. As a result, we are unable to conclude with confidence that we reviewed all of the Authority's federal fiscal year 2019 grant expenditures for period of performance compliance.

We also identified \$54,385 in questioned costs that the Authority paid during the liquidation period even though they occurred outside the program's period of performance.

We question costs when we find an agency has not complied with grant regulations or when it does not have adequate documentation to support its expenditures.

### ***Recommendations***

We recommend the Authority:

Improve its internal controls to ensure account coding is correctly applied to each transaction to ensure payments are charged to the correct grant in compliance with period of performance requirements

- Improve its internal controls to ensure staff do not continue to charge costs to a grant after it has closed
- Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid

### ***Authority's Response***

*The Authority concurs with the finding and has worked to improve internal controls for the period of performance compliance requirements. The Authority has established a new process for review of payments and grant closure during FY22. Communication to all management, contract*

*managers, and contract specialists has been disseminated. Notification of change to policy and contract terms was sent to all contractors. Contracts are being updated to include specific billing timeline language in accordance with the new policy as they are amended and newly established.*

### ***Auditor's Remarks***

We thank the Authority for its cooperation and assistance throughout the audit. We will review the status of the Authority's corrective action during our next audit.

### ***Applicable Laws and Regulations***

Title 42 *United States Code* 300x-62, *Availability to States of grant payments* establishes the following applicable requirements:

Any amounts paid to a State for a fiscal year under section 300x or 300x-21 of this title shall be available for obligation and expenditure until the end of the fiscal year following the fiscal year for which the amounts were paid.

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.53 *Improper Payments* states:

- (a) *Improper payment* means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and
- (b) *Improper payment* includes any payment to an ineligible party, any payment for an ineligible good or service, any duplicate payment, any payment for a good or service not received (except for such payments where authorized by law), any payment that does not account for credit for applicable discounts, and any payment where insufficient or lack of documentation prevents a reviewer from discerning whether a payment was proper.

Section 200.303 *Internal controls*, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued

by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

#### Section 200.403 Factors affecting Allowability of costs.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards.

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

#### Section 200.410 Collection of unallowable costs.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, §§200.300 Statutory and national policy requirements through 200.309 Period of performance.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
- (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.
  - (3) Known questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than \$25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.
  - (4) Known questioned costs that are greater than \$25,000 for a Federal program which is not audited as a major program. Except for audit follow-up, the auditor is not required under this part to perform audit procedures for such a Federal program; therefore, the auditor will normally not find questioned costs for a program that is not audited as a major program. However, if the auditor does become aware of questioned costs for a Federal program that is not audited as a major program (e.g., as part of audit follow-up or other audit procedures) and the known questioned costs are greater than \$25,000, then the auditor must report this as an audit finding.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.



# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-058 The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Federal Funding Accountability and Transparency Act.**

<b>CFDA Number and Title:</b>	93.959, Block Grants for Prevention and Treatment of Substance Abuse
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	1B08TI083138-01; 1B08TI083519-01; 6B08TI083486-01
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component</b>	Reporting
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Health Care Authority (Authority), Division of Behavioral Health and Recovery, administers the Block Grants for Prevention and Treatment of Substance Abuse. The Authority subawards federal funds to counties, tribes and nonprofit organizations to develop prevention programs and provide treatment and support services. In fiscal year 2021, the Authority spent more than \$48.7 million in federal program funds, approximately \$29.4 million of which it paid to subrecipients.

Under the Federal Funding Accountability and Transparency Act (Act), the Authority is required to collect and report information on each subaward of federal funds more than \$25,000 in the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS). For federal awards issued on or after November 12, 2020, the monetary threshold for reporting increased to \$30,000. The Authority must report subawards by the end of the month following the month in which it made the subaward (or subaward amendment). The intent of the Act is to empower citizens with the ability to hold the federal government accountable for spending decisions and, as a result, reduce wasteful government spending.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Act.

During the audit period, the Authority was required to report approximately \$78.7 million of program funds that it awarded to nine subrecipients through 16 new and amended subawards. We found the Authority did not report any of these subawards in FSRs as required.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

The Authority did not have a process in place that would cross multiple divisions to submit FFATA reports to the federal government. In addition, management did not monitor to ensure the Authority submitted the required reports.

### ***Effect of Condition***

Failing to submit the required reports diminishes the federal government's ability to ensure accountability and transparency of federal spending.

### ***Recommendations***

We recommend the Authority:

- Establish effective internal controls to ensure it submits required reports
- Establish policies and procedures for filing required reports
- Provide training for employees who oversee reporting and who verify the submission and accuracy of the reports
- Ensure management monitors reporting of this information so future reports are submitted completely and timely

### ***Authority's Response***

*We concur with the finding and recommendations. HCA is working across divisions to ensure future FFATA reports will be submitted.*

## *Auditor's Remarks*

We thank the Authority for its cooperation and assistance throughout the audit. We will review the status of the Authority's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major

program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a

violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

Title 2 *U.S. Code of Federal Regulations (CFR) Part 170, Reporting Subaward and Executive Compensation Information*, states in part:

Appendix A to Part 170 – Award Term

I. Reporting Subawards and Executive Compensation

a. Reporting of first-tier subawards.

1. *Applicability.* Unless you are exempt as provided in paragraph d. of this award term, you must report each action that equals or exceeds \$30,000 in Federal funds for a subaward to a non-Federal entity or Federal agency (see definitions in paragraph e. of this award term).

2. *Where and when to report.*

i. The non-Federal entity or Federal agency must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. *What to report.* You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

Notice of Substance Abuse Prevention and Treatment Bock Grant Federal Grant Award, Grant Number 1B08TI083138-01, states in part:

Standard Terms and Conditions

SABG FY 2020 Award Terms and Reporting Requirements

1) FFATA Reporting Requirement

Please note the standard terms for FFATA Reporting Requirement has changed.

Standard Terms:

7) Federal Financial Accountability and Transparency Act (FFATA)

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

a. Reporting of first tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity.

## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### State of Washington July 1, 2020 through June 30, 2021

#### **2021-059    The Health Care Authority did not have adequate internal controls over and did not comply with the reporting requirements for the Block Grants for Prevention and Treatment of Substance Abuse.**

<b>CFDA Number and Title:</b>	93.959 Block Grants for Prevention and Treatment of Substance Abuse
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award Number:</b>	2B08TI010056-19 3B08TI010056-19S1
<b>Pass-through Entity:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Reporting
<b>Known Questioned Cost Amount:</b>	None

#### ***Background***

The Health Care Authority (Authority), Division of Behavioral Health and Recovery, administers the Block Grants for Prevention and Treatment of Substance Abuse. The Authority provides federal funds to counties, tribes, nonprofit organizations and other state agencies to develop prevention programs and provide treatment and support services. The Authority spent more than \$48.7 million in grant funds during fiscal year 2021.

The Authority is required to submit a SF-425 federal financial report to the federal grantor within 90 days of a grant award closing. This report includes information like the federal grant number, the recipient organization, grant period, reporting period end date, basis of accounting, and a summary of expenditures and program income related to the grant during the award period.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported the Authority did not have adequate internal controls over and did not comply with the reporting requirements for the Block Grants for Prevention and Treatment of Substance Abuse. The prior finding number was 2020-062.

### ***Description of Condition***

The Authority did not have adequate internal controls over and did not comply with the reporting requirements for the Block Grants for Prevention and Treatment of Substance Abuse.

Financial information reported on the SF-425 should be obtained and supported by the Authority's accounting records. During the audit period, the Authority continued to charge costs to the grant, which had already closed. This required accounting adjustments, which the Authority did not complete in a timely manner. During the audit period, the federal fiscal year 2019 award closed and was reported on the SF-425 by the December 29, 2020, due date. We examined the report and found that the Authority's accounting records did not support the expenditures reported. Because of this, we could not determine whether the Authority accurately prepared the report.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

Authority management said that the grant is large and complex, which makes it difficult for staff to balance the grant and ensure that the accounting records are accurate and complete by the reporting due date.

### ***Effect of Condition***

Because the Authority did not establish adequate internal controls and ensure its accounting records were accurate and complete, it underreported grant expenditures by \$2.7 million at the time of reporting.

Through the remainder of the audit period, the Authority also continued to make accounting adjustments to expenditures applied to federal fiscal year 2019 after the report was submitted.

Inaccurate reports could affect future funding from the federal grantor.

### ***Recommendation***

We recommend the Authority improve its internal controls to ensure the accounting records properly support reports and that expenditures are finalized in the accounting system before submitting the report.

### ***Authority's Response***

*We concur with the finding and recommendations. HCA is working across divisions to ensure future FFATA reports will be submitted.*



## *Auditor's Remarks*

We thank the Authority for its cooperation and assistance throughout the audit. We will review the status of the Authority's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of

Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Section 200.328 Financial reporting, states in part:

Unless otherwise approved by OMB, the Federal awarding agency must solicit only the OMB-approved government wide data elements for collection of financial information (at time of publication the Federal Financial Report or such future, OMB-approved, government wide data elements available from the OMB-designated standards lead. This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its Codification of Statements on Auditing Standards, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

## SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

### State of Washington July 1, 2020 through June 30, 2021

#### **2021-060 The Health Care Authority did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Block Grants for Prevention and Treatment of Substance Abuse program received required risk assessments.**

<b>CFDA Number and Title:</b>	93.959, Block Grants for Prevention and Treatment of Substance Abuse
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	1B08TI083138-01; B08TI010056; B08TI010056-19
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

#### ***Background***

The Health Care Authority (Authority), Division of Behavioral Health and Recovery, administers the Block Grants for Prevention and Treatment of Substance Abuse (SABG). The Authority subawards federal funds to counties, tribes and nonprofit organizations to develop prevention programs and provide treatment and support services. The Authority spent more than \$48.7 million in grant funds during fiscal year 2021, approximately \$29.4 million of which it paid to subrecipients.

The Authority serves as a pass-through agency for SABG funding. Pass-through entities are required to monitor the activities of subrecipients in order to ensure they are properly using the funds. To determine the appropriate level of monitoring, federal regulations require the Authority to evaluate each subrecipient's risk of noncompliance with federal statutes and regulations and the terms and conditions of the subaward.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In a prior audit, we reported the Authority did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the SABG program received required risk assessments. The prior finding number was 2020-064.

### *Description of Condition*

The Authority did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the SABG program received required risk assessments.

The Authority did not establish an effective monitoring process to ensure subrecipients of the SABG program received required risk assessments. Five different units in the Authority are responsible for performing risk assessments for the program subrecipients: Prevention, Treatment, Recovery, Managed Care and Tribal Affairs. The Authority did not have a uniform process to ensure all subrecipients received risk assessments. The Authority issued three new subawards during the state fiscal year, but did not perform risk assessments for any of them.

We consider this internal control deficiency to be a material weakness, which led to material noncompliance.

### *Cause of Condition*

Each unit is responsible for performing risk assessments for the subawards it monitors, but management has not provided sufficient oversight to ensure the Authority meets this requirement. During the audit period, the Authority established a multidivisional work group for subrecipient monitoring, but did not implement an effective risk assessment process.

### *Effect of Condition*

Without performing risk assessments of its subrecipients for the SABG program, the Authority cannot determine the appropriate amount of monitoring required for each subrecipient. It also makes the Authority less likely to detect noncompliance with grant terms and conditions and federal regulations.

### *Recommendations*

We recommend the Authority:

- Establish internal controls to ensure it performs risk assessments for each subaward it issues
- Ensure it uses the results of the risk assessments to determine how much and what type of subrecipient monitoring to perform, as required by federal law

## ***Authority's Response***

*The Authority concurs with the finding. The multi-divisional subrecipient monitoring workgroup has developed and approved an effective risk assessment process and staff training was conducted during the fall of 2021 and will continue for new staff.*

## ***Auditor's Remarks***

We thank the Authority for its cooperation and assistance throughout the audit. We will follow up on the status of the Authority's corrective action during our next audit.

## ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit

finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

- (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 45 U.S. Code of Federal Regulations (CFR) Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards* establishes the following applicable requirements:

Section 75.352, Requirements for pass-through entities, states in part:

All pass-through entities must:

- (b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:
  - (1) The subrecipient's prior experience with the same or similar subawards;
  - (2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with subpart F, and the extent to which the same or similar subaward has been audited as a major program;
  - (3) Whether the subrecipient has new personnel or new or substantially changed systems; and
  - (4) The extent and results of HHS awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a HHS awarding agency).

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.



# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-061 The Health Care Authority did not have adequate internal controls over and did not comply with federal subrecipient monitoring requirements for the Block Grants for Prevention and Treatment of Substance Abuse program.**

<b>CFDA Number and Title:</b>	93.959 Block Grants for Prevention and Treatment of Substance Abuse
<b>Federal Grantor Name:</b>	U.S. Department of Health and Human Services
<b>Federal Award/Contract Number:</b>	2B08TI010056-19; 3B08TI010056-19S1; 1B08TI083138-01; 6B08TI0313138-01M003; 6B08TI0313138-01M004; 6B08TI083486-01M002; 6B08TI083486-01M003
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Subrecipient Monitoring
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

The Health Care Authority (Authority), Division of Behavioral Health and Recovery, administers the Block Grants for Prevention and Treatment of Substance Abuse. The Authority subawards federal funds to counties, tribes and nonprofit organizations to develop prevention programs and provide treatment and support services. In fiscal year 2021, the Authority spent more than \$48.7 million in federal program funds, approximately \$29.4 million of which it paid to subrecipients. When the Authority awards federal funds to subrecipients, federal regulations require it to monitor subrecipients based on a risk assessment to ensure:

- Federal funds are used for authorized purposes in compliance with federal laws, regulations, and the terms and conditions of the subaward;
- Performance goals are achieved; and
- When applicable, the subrecipient took action in response to pass-through monitoring findings.

Monitoring may include annual or biennial onsite visits; desk reviews; reviewing financial, performance and special reports; and other activities as necessary based on subrecipient risk assessments.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

In the prior audit, we reported the Authority did not have adequate internal controls over and did not comply with federal subrecipient monitoring requirements. The prior finding number was 2020-065.

### *Description of Condition*

The Authority did not have adequate internal controls over and did not comply with federal subrecipient monitoring requirements for the Block Grants for Prevention and Treatment of Substance Abuse program.

The Authority did not establish an effective monitoring process to ensure subrecipients of the Block Grants for Prevention and Treatment of Substance Abuse program received proper monitoring.

Five different units in the Authority are responsible for performing monitoring activities for the program subrecipients: Prevention, Treatment, Recovery, Managed Care, and Tribal Affairs. The Authority had 103 subrecipients during the fiscal year, and it did not have a uniform process to ensure all subrecipients received required monitoring.

We found the Tribal Affairs, Recovery, and Managed Care units did not have sufficient internal controls in place to ensure they properly monitored subrecipients. Specifically:

- The Tribal Affairs unit was responsible for monitoring 29 subrecipients (28 percent). While monitoring activities occurred, management oversight was insufficient for ensuring staff performed all required monitoring.
- The Recovery unit was responsible for monitoring 20 subrecipients (19 percent). The unit was not scheduled to perform fiscal monitoring during this audit period, but we determined the unit did not correct the internal control deficiencies identified in the prior audit.
- The Managed Care unit was responsible for monitoring eight subrecipients (8 percent). The unit did not perform required fiscal monitoring for any of its subrecipients during the audit period, and management oversight was insufficient for ensuring staff performed all required monitoring.

We consider these internal control deficiencies to be a material weakness, which led to material noncompliance.

### ***Cause of Condition***

The Authority does not have a centralized process to ensure units are monitoring each of their subrecipients. Each unit is responsible for monitoring the subrecipients they oversee, but management did not provide sufficient oversight to ensure all units performed adequate monitoring. During the audit period, the Authority established a multidivisional work group for subrecipient monitoring. However, the Authority has not implemented an effective monitoring process for the program.

### ***Effect of Condition***

We determined 79 of the Authority's 103 subrecipients during the audit period required fiscal monitoring. We randomly selected and examined 13 subrecipients and found three (23 percent) were not properly monitored—two from the Managed Care and one from the Tribal Affairs units. Specifically, the two Managed Care subrecipients received no fiscal monitoring, and the Tribal Affairs subrecipient received an incomplete fiscal monitoring visit.

Without establishing adequate internal controls and monitoring procedures, the Authority cannot ensure units are performing the appropriate amount of monitoring to ensure subrecipients are complying with federal regulations and the terms and conditions of their subawards.

### ***Recommendation***

We recommend the Authority establish centralized procedures and management oversight to ensure units throughout the agency perform federally required subrecipient monitoring.

### ***Authority's Response***

*The Authority performed many activities to ensure adequate monitoring across multiple units. While the Authority agrees there is not a uniform process to monitor all sub-recipient desk or site visits across all units; it is important to note that the units responsible for monitoring activities have processes that are reflective of their respective contracts and contractor. Therefore, while ensuring that monitoring is consistently completed in whole, uniformity across units is not appropriate for implementation based on contracts. Noteworthy, the majority [77%] of the sample had sufficient documentation and the Authority did provide monitoring activities on the remaining 23% although some items were not fully included. Lastly, the Authority will use information found during this review to improve monitoring practices and procedures.*

### ***Auditor's Remarks***

We thank the Authority for its cooperation and assistance throughout the audit. We will review the status of the Authority's corrective action during our next audit.

## *Applicable Laws and Regulations*

Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.
  - (2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor’s determination of whether a noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the compliance supplement.

Title 45 U.S. Code of Federal Regulations Part 75, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards* establishes the following applicable requirements:

Section 75.352 Requirements for pass-through entities, states in part:

All pass-through entities must:

(d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:

- (1) Reviewing financial and performance reports required by the pass-through entity.
- (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
- (3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by § 75.521.

(e) Depending upon the pass-through entity's assessment of risk posed by the subrecipient (as described in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

- (1) Providing subrecipients with training and technical assistance on program-related matters; and
- (2) Performing on-site reviews of the subrecipient's program operations;
- (3) Arranging for agreed-upon-procedures engagements as described in 75.425.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

**Deficiency in internal control over compliance.** A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or the person performing the control does not possess the necessary authority or competence to perform the control effectively.

**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

**Material noncompliance.** In the absence of a definition of material noncompliance in the governmental audit requirement, a failure to follow compliance requirements or a violation of prohibitions included in the applicable compliance requirements that results in noncompliance that is quantitatively or qualitatively material, either individually or when aggregated with other noncompliance, to the affected government program.

# SCHEDULE OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## State of Washington July 1, 2020 through June 30, 2021

### **2021-062 The Employment Security Department did not have adequate internal controls to ensure it submitted accurate weekly reports for the Presidential Declared Disaster Assistance to Individuals and Households program.**

<b>CFDA Number and Title:</b>	97.050 COVID-19 Presidential Declared Disaster Assistance to Individuals and Households – Other Needs Assistance – Supplemental Payments for Lost Wages
<b>Federal Grantor Name:</b>	U.S. Department of Homeland Security
<b>Federal Award/Contract Number:</b>	4481DRWASPLW
<b>Pass-through Entity Name:</b>	None
<b>Pass-through Award/Contract Number:</b>	None
<b>Applicable Compliance Component:</b>	Reporting
<b>Known Questioned Cost Amount:</b>	None

### ***Background***

In 2020, the U.S. Department of Homeland Security, Federal Emergency Management Agency (FEMA), was authorized to provide \$44 billion from the Disaster Relief Fund to provide grants to states to administer lost wages assistance to those affected by COVID-19-related unemployment or wage reductions. The federal program provides funding in the event of a presidentially declared natural disaster. In order to receive supplemental assistance, states are required to submit an administrative plan describing the partnership with FEMA to deliver assistance to eligible people.

In Washington state, the Employment Security Department (Department) administers unemployment insurance to people experiencing periods of involuntary unemployment. FEMA authorized the Department to provide a \$300 weekly benefit to eligible people until the federal award period of performance end date of December 27, 2020.

Under the program, FEMA requires recipients to submit weekly program status reports to provide information on lost wages assistance benefits, including:

- The number and dollar amount of applications approved weekly by the state employment agency
- The number of people eligible to receive assistance, broken out by the eight programs identified in Section 4(d)(i) of the August 8, 2020, presidential memorandum titled

*Memorandum on Authorizing the Other Needs Assistance Program for Major Disaster Declarations Related to Coronavirus Disease 2019*

- The amount of assistance disbursed weekly
- The number of appeals received

Recipients of FEMA financial assistance are also required to follow the applicable provisions of the *Uniform Guidance Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

During fiscal year 2021, the Department paid more than \$725 million in lost wages assistance benefits.

Federal regulations require recipients to establish and follow internal controls to ensure compliance with program requirements. These controls include understanding grant requirements and monitoring the effectiveness of established controls.

### ***Description of Condition***

The Department did not have adequate internal controls to ensure it submitted accurate weekly reports for the Presidential Declared Disaster Assistance to Individuals and Households program.

During fiscal year 2021, the Department was required to submit 40 weekly program status reports, beginning with the week ending on August 1, 2020. The Department developed queries to generate claimant data from its Unemployment Tax and Benefits (UTAB) system to populate the weekly program status reports. An employee from the agency's unemployment insurance program prepared the status reports and submitted them to the federal grantor.

We found the Department did not have an effective process in place to verify the accuracy and completeness of the reports before the responsible employee submitted them to the federal grantor. Department management said it performed an informal review of the reports after the employee submitted them to the federal grantor. However, management did not document these reviews, which were only a high-level overview that did not include matching reported data to source documentation.

We consider this internal control deficiency to be a significant deficiency.

This issue was not reported as a finding in the prior audit.

### ***Cause of Condition***

Department management believed its informal review was sufficient because claimant data was being pulled from UTAB through an automated process and the employee preparing the report was knowledgeable.



## ***Effect of Condition***

By not establishing adequate internal controls to ensure the weekly reports were complete and accurate, the Department was at an increased risk of inaccurately reporting data to the federal grantor.

## ***Recommendation***

We recommend the Department implement an effective management review process before submitting weekly reports to the federal grantor for the Presidential Declared Disaster Assistance to Individuals and Households program.

## ***Department's Response***

*We thank SAO for their work to improve our processes over the Presidential Declared Disaster Assistance to Individuals and Households program. While we agree the recommendation would improve controls, this report is no longer required as the grant is in its closeout phase. Therefore, we consider this issue resolved.*

## ***Auditor's Remarks***

While we acknowledge that the program is undergoing the closeout process, additional weekly program status reports were required by the federal grantor after the end of the audit period. We reaffirm our recommendation that the Department establish an effective review process for reports that were not examined as part of this audit.

We will review the status of the Department's corrective action during our next audit.

## ***Applicable Laws and Regulations***

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) establishes the following applicable requirements:

Section 200.303 Internal controls, states in part:

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued

by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section 200.329 Monitoring and reporting program performance, states in part:

- (b) Reporting program performance. The Federal awarding agency must use OMB-approved common information collections, as applicable, when providing financial and performance reporting information. As appropriate and in accordance with above mentioned information collections, the Federal awarding agency must require the recipient to relate financial data and accomplishments to performance goals and objectives of the Federal award. Also in accordance with above mentioned common information collections, and when required by the terms and conditions of the Federal award, recipients must provide cost information to demonstrate cost effective practices (e.g. through unit cost data). In some instances (e.g., discretionary research awards), this will be limited to the *establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).*
- (c) Performance report requirement waiver. The Federal awarding agency may waive any performance report required by this part if not needed.

Section 200.516 Audit findings, states in part:

- (a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:
  - (1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor’s determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 935, Compliance Audits, paragraph 11 as follows:

For purposes of adapting GAAS to a compliance audit, the following terms have the meanings attributed as follows:

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**Material weakness in internal control over compliance.** A deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. In this section, a reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

**Reasonably possible.** The chance of the future event or events occurring is more than remote but less than likely.

**Probable.** The future event or events are likely to occur.

**Significant deficiency in internal control over compliance.** A deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The U.S. Department of Homeland Security, Federal Emergency Management Agency (FEMA) *Lost Wages Supplemental Payment Assistance Guidelines*, state in part:

#### Lost Wages Reporting Requirements

##### Weekly Reporting Requirement

States and territories that received a grant award for supplemental lost wages payments were required to provide FEMA a Lost Wages Benefits Payment Weekly Report that included the total, weekly dollar amount of actual lost wages benefit payments made to eligible claimants, by program,

the number of appeals for the underlying benefits received by claimants, and any pending claims. The state/territory used the Lost Wages Weekly Report Template for the weekly submission.

- The template asked states/territories to provide the cumulative number of open appeals, and the number of new appeals for the one-week reporting period.
- The template asked states/territories to provide the cumulative number of open appeals, and the number of new appeals for the one-week reporting period.
- The template also asked states/territories to provide the cumulative number of pending LWA claims. Claims must have been filed or in process prior to the end of the period of assistance (December 27, 2020).
- The number of open and new appeals, as well as pending claims should have been reported as the total number of weeks represented by the appeals and claims and must be related to LWA and only for the weeks ending August 1, 2020 to September 5, 2020. As an example, if a pending claim for an individual would cover all six (6) weeks of funding, that should be counted as 6 claims.

FEMA award terms and conditions state in part:

### **Reporting**

Recipients are required to submit various financial and programmatic reports in accordance with The State of Washington State Administrative Plan as a condition of award acceptance.

### **Programmatic Performance Reporting Requirements**

Weekly program status reports are required in addition to final reports as required by 2 C.F.R. Part 200.328. Program status reports must include:

- The number and dollar amount of applications approved weekly,
- The number of individuals eligible to receive assistance under this award, broken out by the programs identified in Section 4(d)(i) of the August 8, 2020 Presidential memorandum;
- The amount of assistance disbursed weekly, and
- The number of appeals received.

The recipient must also comply with all reporting requirements in the State Administrative Plan.

**State of Washington**  
**Single Audit Report**  
**For Fiscal Year Ended**  
**June 30, 2021**

**Auditee's Section**  
**Summary Schedule of Prior Audit Findings**

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STATE OF WASHINGTON  
**OFFICE OF FINANCIAL MANAGEMENT**

*Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555*

July 20, 2022

Washington State Auditor's Office  
ATTN: Cavan Busch, Audit Manager  
3200 Sunset Way S.E.  
Olympia, WA 98504-0031

To the Washington State Auditor's Office:

Enclosed with this letter is the state of Washington's Summary Schedule of Prior Audit Findings for the following audit findings in the fiscal year 2021 Single Audit report.

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2020-001	State of Washington	Complete	H - 15
2020-002	State of Washington	In progress	H - 16
2020-003	Office of Superintendent of Public Instruction	In progress	H - 19
2020-004	Office of Superintendent of Public Instruction	In progress	H - 20
2020-005	Department of Health	Complete	H - 21
2020-006	Department of Social and Health Services	In progress	H - 22
2020-007	Department of Commerce	Complete	H - 24
2020-008	Department of Social and Health Services	Complete	H - 25
2020-009	Department of Commerce	Complete	H - 27
2020-010	Employment Security Department	Corrective action not taken	H - 29
2020-011	Employment Security Department	In progress	H - 31
2020-012	Employment Security Department	In progress	H - 32

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2020-013	Employment Security Department	In progress	H - 34
2020-014	Department of Transportation	In progress	H - 35
2020-015	Department of Transportation	In progress	H - 36
2020-016	Department of Transportation	In progress	H - 37
2020-017	Department of Transportation	In progress	H - 39
2020-018	Department of Children, Youth, and Families	In progress	H - 41
2020-019	Department of Health	In progress	H - 42
2020-020	Department of Social and Health Services	Corrective action not taken	H - 43
2020-021	Washington State University	In progress	H - 45
2020-022	University of Washington	Complete	H - 46
2020-023	University of Washington	Complete	H - 48
2020-024	University of Washington	Complete	H - 49
2020-025	Yakima Valley Community College	Complete	H - 50
2020-026	Office of Superintendent of Public Instruction	In progress	H - 51
2020-027	Office of Superintendent of Public Instruction	Complete	H - 52
2020-028	Office of Superintendent of Public Instruction	In progress	H - 53
2020-029	Yakima Valley Community College	Complete	H - 54
2020-030	Department of Services for the Blind	Complete	H - 55
2020-031	Department of Services for the Blind	Complete	H - 56
2020-032	Department of Social and Health Services	In progress	H - 57
2020-033	Yakima Valley Community College	Complete	H - 58
2020-034	State Health Care Authority	Complete	H - 59
2020-035	Department of Social and Health Services	Complete	H - 60
2020-036	Department of Children, Youth, and Families	Complete	H - 62



<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2020-037	Department of Children, Youth, and Families	In progress	H - 63
2020-038	Department of Children, Youth, and Families	In progress	H - 64
2020-039	Department of Children, Youth, and Families	In progress	H - 66
2020-040	Department of Children, Youth, and Families	In progress	H - 68
2020-041	Department of Children, Youth, and Families	In progress	H - 69
2020-042	Department of Children, Youth, and Families	In progress	H - 70
2020-043	Department of Social and Health Services	Complete	H - 71
2020-044	Department of Children, Youth, and Families	Corrective action not taken	H - 72
2020-045	Department of Children, Youth, and Families	In progress	H - 73
2020-046	State Health Care Authority	In progress	H - 74
2020-047	State Health Care Authority	In progress	H - 75
2020-048	State Health Care Authority	In progress	H - 76
2020-049	State Health Care Authority	In progress	H - 77
2020-050	State Health Care Authority	In progress	H - 78
2020-051	Department of Social and Health Services	Corrective action not taken	H - 79
2020-052	Department of Social and Health Services	Complete	H - 81
2020-053	Department of Social and Health Services	In progress	H - 83
2020-054	Department of Social and Health Services	In progress	H - 84
2020-055	Department of Health	Complete	H - 85
2020-056	State Health Care Authority	Complete	H - 86
2020-057	State Health Care Authority	In progress	H - 87
2020-058	Department of Children, Youth, and Families	Complete	H - 88
2020-059	State Health Care Authority	In progress	H - 89
2020-060	State Health Care Authority	Complete	H - 90

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2020-061	State Health Care Authority	Complete	H - 91
2020-062	State Health Care Authority	Corrective Action not taken	H - 92
2020-063	State Health Care Authority	Complete	H - 93
2020-064	State Health Care Authority	In progress	H - 94
2020-065	State Health Care Authority	In progress	H - 95
2019-001	State of Washington	Repeat finding	Refer to finding 2020-002 at H - 16
2019-004	The Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2020-003 at H - 19
2019-005	The Office of Superintendent of Public Instruction	Repeat finding	Refer to finding 2020-004 at H - 20
2019-006	Department of Health	Repeat finding	Refer to finding 2020-005 at H - 21
2019-008	Department of Social and Health Services	Repeat finding	Refer to finding 2020-006 at H - 22
2019-009	Department of Social and Health Services	Repeat finding	Refer to finding 2020-008 at H - 25
2019-010	Department of Commerce	Repeat finding	Refer to finding 2020-007 at H - 24
2019-011	Department of Commerce	Repeat finding	Refer to finding 2020-009 at H - 27
2019-012	Employment Security Department	Repeat finding	Refer to finding 2020-013 at H - 34
2019-015	Department of Transportation	Repeat finding	Refer to finding 2020-016 at H - 37
2019-016	Department of Transportation	Repeat finding	Refer to finding 2020-014 at H - 35
2019-017	Department of Transportation	Repeat finding	Refer to finding 2020-015 at H - 36
2019-018	Department of Transportation	Complete	H - 96
2019-019	Department of Transportation	Repeat finding	Refer to finding 2020-017 at H - 39
2019-023	Department of Social and Health Services	Repeat finding	Refer to finding 2020-032 at H - 57
2019-027	Department of Services for the Blind	Repeat finding	Refer to finding 2020-031 at H - 56

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2019-028	State Health Care Authority	Repeat finding	Refer to finding 2020-034 at H - 59
2019-029	Department of Social and Health Services	Complete	H - 98
2019-030	Department of Social and Health Services	Repeat finding	Refer to finding 2020-035 at H - 60
2019-032	Department of Social and Health Services	Repeat finding	Refer to finding 2020-039 at H - 66
2019-035	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2020-038 at H - 64
2019-036	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2020-037 at H - 63
2019-037	Department of Children, Youth, and Families	Corrective action not taken	H - 100
2019-038	Department of Children, Youth, and Families	In progress	H - 101
2019-039	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2020-042 at H - 70
2019-040	Department of Children, Youth, and Families	Complete	H - 102
2019-041	Department of Children, Youth, and Families	Complete	H - 103
2019-042	Department of Children, Youth, and Families	Complete	H - 104
2019-044	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2020-044 at H - 72
2019-045	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2020-036 at H - 62
2019-046	Department of Health	Repeat finding	Refer to finding 2020-055 at H - 85
2019-047	State Health Care Authority	In progress	H - 105
2019-048	State Health Care Authority	Repeat finding	Refer to finding 2020-046 at H - 74
2019-049	State Health Care Authority	Corrective action not taken	H - 106
2019-050	State Health Care Authority	In progress	H - 107
2019-051	State Health Care Authority	In progress	H - 108
2019-052	State Health Care Authority	Repeat finding	Refer to finding 2020-047 at H - 75
2019-053	State Health Care Authority	Repeat finding	Refer to finding 2020-048 at H - 76

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2019-054	Department of Social and Health Services	Corrective action not taken	Refer to finding 2020-051 at H - 79
2019-055	Department of Social and Health Services	In progress	H - 109
2019-057	Department of Social and Health Services	In progress	H - 111
2019-058	Department of Social and Health Services	In progress	H - 114
2019-060	Department of Social and Health Services	Corrective action not taken	H - 116
2019-061	Department of Social and Health Services	Repeat finding	Refer to finding 2020-053 at H - 83
2019-062	Department of Social and Health Services	Repeat finding	Refer to finding 2020-052 at H - 81
2019-065	State Health Care Authority	Repeat finding	Refer to finding 2020-034 at H - 59
2019-066	State Health Care Authority	Repeat finding	Refer to finding 2020-057 at H - 87
2019-069	State Health Care Authority	Repeat finding	Refer to finding 2020-061 at H - 91
2019-070	State Health Care Authority	Repeat finding	Refer to finding 2020-063 at H - 93
2018-001	State of Washington	Repeat finding	Refer to finding 2020-002 at H - 16
2018-005	Department of Health	Complete	H - 117
2018-006	Department of Health	Repeat Finding	Refer to finding 2020-005 at H - 21
2018-012	Department of Transportation	Repeat finding	Refer to finding 2020-014 at H - 35
2018-013	Department of Transportation	Repeat finding	Refer to finding 2019-018 at H - 96
2018-014	Department of Transportation	Complete	H - 118
2018-019	Department of Services for the Blind	Repeat finding	Refer to finding 2020-031 at H - 56
2018-023	Department of Social and Health Services	Repeat finding	Refer to finding 2020-032 at H - 57
2018-025	Department of Social and Health Services	Repeat finding	Refer to finding 2020-034 at H - 59
2018-026	Department of Social and Health Services	Repeat finding	Refer to finding 2019-029 at H - 98

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2018-028	Department of Social and Health Services	Repeat finding	Refer to finding 2020-035 at H - 60
2018-030	Department of Social and Health Services	Repeat finding	Refer to finding 2020-039 at H - 66
2018-033	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2020-037 at H - 63
2018-034	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2020-038 at H - 64
2018-035	Department of Children, Youth, and Families	Repeat finding	Refer to finding 2020-042 at H - 70
2018-041	State Health Care Authority	Repeat Finding	Refer to finding 2019-047 at H - 105
2018-042	State Health Care Authority	Repeat finding	Refer to finding 2020-046 at H - 74
2018-046	State Health Care Authority	Repeat Finding	Refer to finding 2019-051 at H - 108
2018-047	State Health Care Authority	Repeat finding	Refer to finding 2020-048 at H - 76
2018-048	State Health Care Authority	Repeat Finding	Refer to finding 2019-049 at H - 106
2018-049	State Health Care Authority	In progress	H - 120
2018-052	Department of Social and Health Services	Repeat finding	Refer to finding 2020-053 at H - 83
2018-054	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-060 at H - 116
2018-057	Department of Social and Health Services	Repeat finding	Refer to finding 2020-052 at H - 81
2018-058	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-051 at H - 79
2018-059	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-057 at H - 87
2018-060	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-058 at H - 88
2017-001	State of Washington	Repeat Finding	Refer to finding 2020-002 at H - 16
2017-010	Department of Services for the Blind	Repeat Finding	Refer to finding 2020-031 at H - 56
2017-014	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-032 at H - 55

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2017-016	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-034 at H - 59
2017-017	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-029 at H - 98
2017-020	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-035 at H - 60
2017-024	Department of Early Learning	Repeat finding	Refer to finding 2020-038 at H - 64
2017-025	Department of Early Learning	Repeat finding	Refer to finding 2020-042 at H - 70
2017-026	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-039 at H - 66
2017-031	State Health Care Authority	Repeat Finding	Refer to finding 2019-047 at H - 105
2017-032	State Health Care Authority	In progress	H - 121
2017-033	State Health Care Authority	Repeat finding	Refer to finding 2020-046 at H - 74
2017-036	State Health Care Authority	In progress	H - 123
2017-037	State Health Care Authority	Repeat Finding	Refer to finding 2019-051 at H - 108
2017-038	State Health Care Authority	Repeat Finding	Refer to finding 2019-049 at H - 106
2017-039	State Health Care Authority	Repeat Finding	Refer to finding 2018-049 at H - 120
2017-040	State Health Care Authority	Corrective Action Not Taken	H - 124
2017-042	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-053 at H - 83
2017-044	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-051 at H - 79
2017-045	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-057 at H - 111
2017-046	Department of Social and Health Services	Repeat Finding	Refer to finding 2019-058 at H - 114
2017-048	Department of Social and Health Services	In progress	H - 125
2017-050	Department of Social and Health Services	In progress	H - 127

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2016-013	Department of Social and Health Services	Repeat finding	Refer to finding 2020-032 at H - 57
2016-014	Department of Social and Health Services	Repeat finding	Refer to finding 2020-034 at H - 59
2016-016	Department of Social and Health Services	Repeat finding	Refer to finding 2020-035 at H - 60
2016-019	Department of Social and Health Services	Repeat finding	Refer to finding 2019-029 at H - 98
2016-021	Department of Early Learning	Repeat finding	Refer to finding 2020-038 at H - 64
2016-022	Department of Early Learning	Repeat finding	Refer to finding 2020-042 at H - 70
2016-023	Department of Social and Health Services	Repeat finding	Refer to finding 2020-039 at H - 66
2016-028	State Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 105
2016-032	State Health Care Authority	In progress	H - 129
2016-034	State Health Care Authority	Repeat finding	Refer to finding 2019-049 at H - 106
2016-037	Department of Social and Health Services	Repeat finding	Refer to finding 2020-053 at H - 83
2016-043	Department of Social and Health Services	Repeat finding	Refer to finding 2019-058 at H - 114
2016-044	Department of Social and Health Services	Repeat finding	Refer to finding 2017-048 at H - 125
2016-045	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-051 at H - 79
2016-047	Department of Social and Health Services	In progress	H - 130
2015-016	Department of Social and Health Services	Repeat finding	Refer to finding 2020-034 at H - 59
2015-023	Department of Early Learning	Repeat finding	Refer to finding 2020-038 at H - 64
2015-024	Department of Early Learning	Repeat finding	Refer to finding 2020-042 at H - 70
2015-026	Department of Social and Health Services	Repeat finding	Refer to finding 2020-039 at H - 66
2015-030	State Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 105

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
2015-037	State Health Care Authority	In progress	H - 131
2015-039	State Health Care Authority	Repeat finding	Refer to finding 2019-049 at H - 106
2015-040	Department of Social and Health Services	In progress	H - 032
2015-045	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-053 at H - 83
2015-049	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-051 at H - 79
2015-051	Department of Social and Health Services	Repeat finding	Refer to finding 2017-048 at H - 125
2014-019	Department of Social and Health Services	Repeat finding	Refer to finding 2020-034 at H - 59
2014-023	Department of Early Learning	Repeat finding	Refer to finding 2020-038 at H - 64
2014-026	Department of Social and Health Services	Repeat finding	Refer to finding 2020-039 at H - 66
2014-034	State Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 105
2014-042	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-051 at H - 79
2014-046	Department of Social and Health Services	Repeat finding	Refer to finding 2020-053 at H - 83
2014-048	Department of Social and Health Services	In progress	H - 134
2013-016	Department of Early Learning	Repeat finding	Refer to finding 2020-038 at H - 64
2013-017	Department of Social and Health Services	Repeat finding	Refer to finding 2020-039 at H - 66
2013-020	State Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 105
2013-036	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-051 at H - 79
12-28	Department of Early Learning	Repeat finding	Refer to finding 2020-038 at H - 64
12-30	Department of Social and Health Services	Repeat finding	Refer to finding 2020-039 at H - 66
12-39	Department of Social and Health Services	Repeat Finding	Refer to finding 2020-051 at H - 79



<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Status</b>	<b>Page Number</b>
12-49	State Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 105
11-23	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2020-038 at H - 64
11-38	State Health Care Authority	Repeat finding	Refer to finding 2019-047 at H - 105
10-31	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2020-038 at H - 64
10-40	Department of Social and Health Services	Repeat finding	Refer to finding 2019-047 at H - 105
09-12	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2020-038 at H - 64
09-19	Department of Social and Health Services	Repeat finding	Refer to finding 2019-047 at H - 105
08-13	Department of Early Learning / Department of Social and Health Services	Repeat finding	Refer to finding 2020-038 at H - 64
08-25	Department of Social and Health Services	Repeat finding	Refer to finding 2019-047 at H - 105

The state's Summary Schedule of Prior Audit Findings is a compilation of the corrective action information provided to us by the applicable state agencies. The Summary Schedule of Prior Audit Findings document is prepared in conjunction with the 2021 Single Audit.

We appreciate the efforts of the Washington State Auditor's Office in completing the Single Audit for the state for fiscal year 2021. If you have any questions regarding the Summary Schedule of Prior Audit Findings, please do not hesitate to contact our office.

Sincerely,

Brian Tinney  
 Assistant Director, Accounting

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State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	001	<p>Finding: The State’s internal controls were insufficient to prevent fraudulent unemployment benefit payments.</p> <p>Status: Corrective action complete</p> <p>Corrective Action: Due to the inherent risk in implementing an unemployment benefit program and the CARES Act requirements, the Pandemic Unemployment Assistance program presented a nationwide challenge of being high risk for fraud.</p> <p>Prior to the surge in fraudulent claims in May 2020, the Employment Security Department (ESD) already implemented controls required and recommended by the U.S. Department of Labor to prevent imposter fraud. Since then, ESD has instituted many additional controls and countermeasures to fraud that include the following:</p> <ul style="list-style-type: none"> <li>• Set up a 100-person customer intake team to handle reports of fraud.</li> <li>• Established a secure business portal for receiving verification information from victims and businesses to more quickly identify fraudulent claims, suspend payments, and determine payments to recover.</li> <li>• With the help of a consulting company, implemented a two-day hold on payments to allow investigation of fraudulent claims prior to payment.</li> <li>• Enacted emergency rule WAC 192-140-096 to allow suspension of payments suspected to be fraudulent until an investigation can be completed.</li> <li>• Reallocated resources and increased staffing for fraud investigations, including utilization of hundreds of other agency staff and the National Guard.</li> <li>• Reassigned staff to data analytics work to detect fraud trends and to improve the fraud discovery process.</li> </ul> <p>ESD is continuing its efforts to identify and investigate known and suspected claims, recover fraudulent amounts, and work with the U.S. Department of Justice to recover the remaining fraudulent payments.</p> <p>Completion Date: June 2020</p> <p>Agency Contact: Brian Tinney                      Statewide Accounting Assistant Director                      PO Box 43127                      Olympia, WA 98504-3127                      (564) 999-1781  <a href="mailto:brian.tinney@ofm.wa.gov">brian.tinney@ofm.wa.gov</a></p>

State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Status	
2020	002	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The State did not have adequate internal controls over financial reporting to ensure financial activity is properly classified, recorded in the correct period and reconciles to its financial statements.</p> <p><u>CFDA #</u> N/A</p> <p><u>Questioned Costs:</u> \$0</p> <p>See below for individual agency</p> <p>The Office of Financial Management, with the collaboration of state agencies, strives for the highest standards in the preparation of the state’s financial statements. Responses from each agency are listed below:</p> <p><b><i>State Board for Community and Technical Colleges (State Board)</i></b></p> <p>The State Board has taken the following actions to improve the process of reconciling college financial data timely and accurately with amounts recorded in the State’s accounting system (AFRS):</p> <ul style="list-style-type: none"> <li>• Dedicated a nearly full-time programmer and functional support staff to assist in developing the correct configuration for the automatic data upload process.</li> <li>• Added additional staff for accurately translating college financial data from the new software system into AFRS.</li> <li>• Began bi-monthly meetings for the accounting staff and software developers since July 2020. These resolution-focused meetings included agency executive leadership and resulted in improvements in the automated process.</li> <li>• Developed a shared understanding of work priorities, status, and next steps through the joint meetings. Significant progress has been made in identifying and correcting issues, and making improvements.</li> <li>• Started monthly automated uploads into AFRS since October 2020. A new approach was also initiated in December 2020 which streamlines the upload process and limits the opportunity for error.</li> </ul> <p>The State Board will continue to build and enhance programming tools to help identify and reconcile variances between the two systems. While current monthly data is being reconciled in a timely manner from ctcLink to AFRS, the State Board continues to work on reconciling ctcLink to AFRS for historical data from the beginning of system employment.</p> <p>In addition, the State Board began the conversion and crosswalk of data from ctcLink to the new system that the One Washington project is undertaking to replace AFRS. While this is new and additional work that was not part of the scope of this corrective action plan, it is an integral part of the effort to ensure accurate financial reporting in the long run.</p> <p><i>Completion: Estimated June 2022</i></p>

State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	002 (cont'd)	<p><b><i>Employment Security Department (ESD)</i></b></p> <p>The auditors determined that ESD did not report all receivables that resulted from fraudulent claim payments in the state's accounting system at June 30, 2020.</p> <p>While the monthly data transfer between the Unemployment Tax and Benefit system (UTAB) and AFRS is automated, ESD implemented additional controls over financial reporting to ensure all fiscal year-end and biennium-end entries are entered into AFRS correctly and completely.</p> <p>The Unemployment Insurance Treasury Unit added procedures to the electronic accounting desk manual, which include:</p> <ul style="list-style-type: none"> <li>• Improving coordination with UTAB developers in processing of year-end entries.</li> <li>• Performing monthly reconciliation of internal journals from UTAB reports to AFRS.</li> <li>• Requiring review and approval of monthly reconciliations by the Treasury Manager.</li> </ul> <p><i>Completion: January 2021</i></p> <p><b><i>Office of Financial Management (OFM)</i></b></p> <p>OFM strongly disagrees with this audit finding and maintains that the fraudulent unemployment benefit payments were properly reflected in the Annual Comprehensive Financial Report (ACFR) and in accordance with accounting standards.</p> <p>OFM reported the losses as normal claim expenses for the period in which the claims were paid. It is part of the normal course of business for the Unemployment Insurance Program, as well as the other benefit payment programs, to make payments that are later found to be fraudulent. Improper payments or overpayments are payments made by the government to the wrong person, in the wrong amount, or for the wrong reason when an individual has knowingly provided false information in order to receive benefits that they are not entitled to. Code of Federal Regulations 20 CFR 609.11 requires that states return any <i>recovered</i> overpayments.</p> <p>The fraudulent payments were reported consistent with guidance from the national Government Accounting Standards Board (GASB). During a December 2020 meeting of the National Association of State Auditors, Comptrollers and Treasurers, OFM received the guidance from a GASB official in response to a question from a staff member of the Office of the Washington State Auditor.</p>

State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	002 (cont'd)	<p>It is also important to note that while the losses were reported as normal claim expenses in the ACFR, the detailed fraud information was disclosed in the Management Discussion and Analysis section of the ACFR (page 27). The fraud losses were also disclosed in Note 4 - Proprietary Fund Receivables section of the report.</p> <p>In May 2020, the U.S Department of Labor (DOL) published the directive 23-20 that includes guidance on program integrity functions for the regular unemployment insurance programs and CARES Act programs, which does not include any indication that states would be required to repay improper payments that have not been recovered.</p> <p>In addition, the federal Office of Inspector General conducted several audits on the CARES Act and Pandemic Unemployment Assistance Program, none of which included recommendations to have states repay improper payments that have not been recovered.</p> <p>In November 2020, OFM contacted DOL to confirm that the State will not be held liable to repay the fraudulent claim payments. As of May 2021, a response has not been received from DOL.</p> <p><i>Completion: Not applicable</i></p> <p>Agency Contact: Brian Tinney                      Statewide Accounting Assistant Director                      PO Box 43127                      Olympia, WA 98504-3127                      (564) 999-1781  <a href="mailto:brian.tinney@ofm.wa.gov">brian.tinney@ofm.wa.gov</a></p>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status																			
2020	003	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with suspension and debarment requirements for Child Nutrition Cluster program.</p> <table border="0"> <thead> <tr> <th data-bbox="670 552 764 579"><u>CFDA #</u></th> <th data-bbox="1003 552 1094 579"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="670 583 748 611">10.553</td> <td data-bbox="1003 583 1032 611">\$0</td> </tr> <tr> <td data-bbox="670 615 873 642">10.553 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="670 646 748 674">10.555</td> <td></td> </tr> <tr> <td data-bbox="670 678 873 705">10.555 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="670 709 748 737">10.556</td> <td></td> </tr> <tr> <td data-bbox="670 741 873 768">10.556 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="670 772 748 800">10.559</td> <td></td> </tr> <tr> <td data-bbox="670 804 873 831">10.559 COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>In response to the prior year’s audit finding, the Office:</p> <ul style="list-style-type: none"> <li>Developed and implemented a new Child Nutrition Programs Agreement template in December 2019. The template includes information and attestation to suspension and debarment requirements.</li> <li>Updated the internal process for review and approval of program applications.</li> </ul> <p>In September 2020, at the request of the US Department of Agriculture, implementation of the new agreement template was paused to address the civil rights assurance statement in the agreement.</p> <p>As soon as clarification and definitive guidance is received from the federal grantor, the Office will resume the implementation of the new agreement.</p> <p>The conditions noted in this finding were previously reported in finding 2019-004.</p> <p>Estimated December 2021</p> <p>Leanne Eko              Director, Child Nutrition Services              PO Box 47200              Olympia, WA 98504              (360) 725-0410  <a href="mailto:Leanne.eko@k12.wa.us">Leanne.eko@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	10.553	\$0	10.553 COVID-19		10.555		10.555 COVID-19		10.556		10.556 COVID-19		10.559		10.559 COVID-19	
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Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status																			
2020	004	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to properly account for USDA-donated foods.</p> <table border="0"> <thead> <tr> <th data-bbox="673 548 764 575"><u>CFDA #</u></th> <th data-bbox="1003 548 1094 575"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 575 748 602">10.553</td> <td data-bbox="1003 575 1029 602">\$0</td> </tr> <tr> <td data-bbox="673 602 889 630">10.553 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="673 630 748 657">10.555</td> <td></td> </tr> <tr> <td data-bbox="673 657 889 684">10.555 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="673 684 748 711">10.556</td> <td></td> </tr> <tr> <td data-bbox="673 711 889 739">10.556 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="673 739 748 766">10.559</td> <td></td> </tr> <tr> <td data-bbox="673 766 889 793">10.559 - COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress.</p> <p>The Office concurs with the finding.</p> <p>The Office will take the following corrective actions to strengthen internal controls over accounting for USDA-donated foods:</p> <ul style="list-style-type: none"> <li>• Implement the internal policies and procedures established in August 2020 for the USDA-donated foods reconciliation process.</li> <li>• Establish adequate internal controls to ensure physical inventory is reconciled with inventory records.</li> </ul> <p>By November 2021, the Office will complete the documentation of system requirements for a new/updated electronic food distribution system that includes tracking and reporting capabilities to assist with the reconciliation process.</p> <p>By January 2022, the Office will post a Request for Proposal for the procurement of the new/updated electronic food distribution system.</p> <p>The conditions noted in this finding were previously reported in finding 2019-005.</p> <p>Estimated January 2022</p> <p>Leanne Eko              Director, Child Nutrition Services              PO Box 47200              Olympia, WA 98504              (360) 725-0410  <a href="mailto:Leanne.eko@k12.wa.us">Leanne.eko@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	10.553	\$0	10.553 - COVID-19		10.555		10.555 - COVID-19		10.556		10.556 - COVID-19		10.559		10.559 - COVID-19	
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Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	005	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Health did not have adequate internal controls over and did not comply with cash management requirements for the Special Supplemental Nutrition Program for Women, Infants, and Children grant.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>10.557</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>The Department partially concurs with the finding.</p> <p>The purpose of the Cash Management Improvement Act (CMIA) is to ensure timely disbursement of federal funds. The Department has processes in place to ensure that draws are made in a manner that would guarantee that neither the Department nor the federal grantor is required to pay interest earnings.</p> <p>The Department processes all cash draws based on actual costs already incurred and in line with the approved funding technique outlined in the Treasury State Agreement (TSA). The Department does not agree that we were out of compliance with the intent of the CMIA and the approved TSA.</p> <p>To improve internal controls over monitoring cash management requirements, the Department:</p> <ul style="list-style-type: none"> <li>• Began tracking draws on an excel spreadsheet in March 2020.</li> <li>• Worked with the Office of Financial Management to clarify language in the 2022 TSA in an effort to reduce confusion for future audits.</li> <li>• Started updating the 2021 TSA for subsequent approval by the federal grantor.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-006 and 2018-006.</p> <p>June 2021</p> <p>Kristina White                      External Audit Manager                      PO Box 47890                      Olympia, WA 98504-7890                      (360) 236-4547  <a href="mailto:Kristina.White@doh.wa.gov">Kristina.White@doh.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	10.557	\$0
<u>CFDA #</u>	<u>Amount</u>						
10.557	\$0						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status										
2020	006	<p>Finding: The Department of Social and Health Services did not have adequate internal controls over and did not comply with some Public Assistance Cost Allocation Plan requirements.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 556 1096 703"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>10.561</td> <td>\$0</td> </tr> <tr> <td>93.558</td> <td></td> </tr> <tr> <td>93.556</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>Due to the timing and frequency of audits, the Department is not made aware of a finding until six months after the state fiscal year concludes. It is not always feasible to correct audit issues within the next six months before a new audit cycle begins. This also means the previous year's audit issues will still be outstanding during at least the first six months of the current audit period. For this reason, we acknowledged in the prior year's finding response that it is unlikely the audit issues would be completely resolved in the fiscal year 2020 audit or beyond.</p> <p>As part of the Department's corrective action plan for the prior year finding, the Department:</p> <ul style="list-style-type: none"> <li>• Implemented processes to ensure monthly staff reconciliations are performed.</li> <li>• Developed standard guidelines and procedures for updating the eligible staff list in Barcode.</li> </ul> <p>In December 2020, upon discovery of the errors related to incorrect entry of Random Moments Time Samples (RMTS) results into the base edit workbooks, the Department immediately updated the process for completing the workbooks to ensure RMTS results are uploaded correctly into the Cost Allocation System.</p> <p>As of January 2021, the Department supervisor for the RMTS auditors reviewed the Public Assistance Cost Allocation Plan with the team to ensure understanding of the criteria for modifying an RMTS sample during an audit.</p> <p>As of June 2021, the Department:</p> <ul style="list-style-type: none"> <li>• Developed and implemented a process to conduct a monthly review on a subset of the staff on the reconciliation report to ensure the RMTS coordinators are properly updating the eligible staff list in Barcode.</li> <li>• Updated current guidance to provide additional examples to staff on types of activities that are appropriate for each selection.</li> </ul>	<u>CFDA #</u>	<u>Amount</u>	10.561	\$0	93.558		93.556		93.778	
<u>CFDA #</u>	<u>Amount</u>											
10.561	\$0											
93.558												
93.556												
93.778												

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	006 (cont'd)	<ul style="list-style-type: none"> <li>• Completed a one-time review of a subset of RMTS samples to conduct root cause analysis and determine whether additional training, procedure changes, or system changes are needed.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2019-008.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	007	<p>Finding: The Department of Commerce did not have adequate internal controls over and did not comply with subrecipient monitoring requirements for the Crime Victims Assistance program.</p> <p>Questioned Costs: <u>CFDA #</u> 16.575 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: To strengthen internal controls over subrecipient monitoring, the Department established procedures to expand fiscal monitoring of subrecipients during reimbursements and to formalize documentation requirements for in-person site visits.</p> <p>As of February 2020, the Department:</p> <ul style="list-style-type: none"> <li>• Created new procedures that require subrecipients to submit backup documentation for salaries, benefits, and contracted services that includes the exact costs, calculations, percentage charged to the grant, and allocation method if costs are allocated across multiple fund sources. The backup documentation is also required to link the actual expenditures to the amounts requested for reimbursement on the invoice.</li> <li>• Established procedures for documenting fiscal monitoring that occurs during in-person site visits, which includes:                             <ul style="list-style-type: none"> <li>○ The review of timesheets sample to verify and confirm that salary/benefit charges on a previously submitted invoice have appropriate backup documentation on file.</li> <li>○ Documentation of fiscal policies and procedures reviewed and any other fiscal monitoring activities on the site visit report.</li> </ul> </li> <li>• Updated the certification forms for Modified Total Direct Costs eligibility to inquire whether subrecipients have ever had a federally negotiated indirect rate. This information is used to verify subrecipients' eligibility for the de minimis indirect cost rate.</li> </ul> <p>As of July 2020, the Department provided training to staff and subrecipients and formally implemented the new monitoring procedures.</p> <p>The conditions noted in this finding were previously reported in finding 2019-010.</p> <p>Completion Date: July 2020</p> <p>Agency Contact: Jean Denslow                      Managing Director, Accounting Services                      PO Box 42525                      Olympia WA 98504                      (360) 725-2739  <a href="mailto:Jean.denslow@commerce.wa.gov">Jean.denslow@commerce.wa.gov</a></p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	008	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p>	<p>The Department of Social and Health Services did not have adequate internal controls over and did not comply with subrecipient monitoring requirements for the Crime Victims Assistance program.</p> <table border="0"> <tr> <td data-bbox="672 552 764 579"><u>CFDA #</u></td> <td data-bbox="1003 552 1096 579"><u>Amount</u></td> </tr> <tr> <td data-bbox="672 583 748 611">16.575</td> <td data-bbox="1003 583 1031 611">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>The Department concurs with the finding.</p> <p>Due to the timing and frequency of audits, the Department was not made aware of a finding until six months after the state fiscal year concluded. It should be noted that it is not always feasible to correct audit issues within the next six months before a new audit cycle begins. As a result, the Department anticipates that the audit issues identified in the current audit will still be outstanding at least in the first part of the subsequent audit period.</p> <p>As of June 2020, the Department completed the following corrective actions in response to the prior year's finding:</p> <ul style="list-style-type: none"> <li>• Implemented a secondary review process for issuing sub-awards.</li> <li>• Modified the funding application form to require subrecipients to indicate whether they have ever negotiated an indirect rate with the federal government.</li> <li>• Modified the federal contract templates for the Crime Victim Assistance program to include the indirect cost rate.</li> </ul> <p>These process changes and additional requirements for subrecipients will be effective for contracts awarded beginning in state fiscal year 2021. Therefore, full resolution of the audit issues will not be evident until the fiscal year 2021 audit.</p> <p>It is worth noting that the Office of Management and Budget amended 2 CFR 200.414(f) on August 13, 2020, which no longer requires subrecipients to submit documentation to justify the 10 percent de minimis indirect cost rate. The Department's updated funding application form, effective in fiscal year 2021, would be sufficient to justify allowing a subrecipient to request reimbursements using the 10 percent de minimis rate.</p> <p>The conditions noted in this finding were previously reported in finding 2019-009.</p> <p>June 2020</p>	<u>CFDA #</u>	<u>Amount</u>	16.575	\$0
<u>CFDA #</u>	<u>Amount</u>						
16.575	\$0						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	008 (cont'd)	Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a>

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status						
2020	009	<p>Finding: The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Crime Victim Assistance or the Low-Income Home Energy Assistance programs received required audits and findings were followed up on timely.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>16.575</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>93.568</td> <td></td> </tr> </table></p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>As described in the finding, the Department has written policies and procedures for subrecipient monitoring including:</p> <ul style="list-style-type: none"> <li>• Verifying whether the subrecipient requires a single audit.</li> <li>• Reviewing audit reports.</li> <li>• Following-up on subrecipient audit findings.</li> <li>• Ensuring management decisions are issued timely when required.</li> </ul> <p>The Department’s Contract Management System (CMS) contains a field to indicate if a single audit is required for a subrecipient at the time a contract is entered into the system. Staff generate quarterly reports from CMS to identify subrecipients that:</p> <ul style="list-style-type: none"> <li>• Have audit requirements to help ensure audit reports are submitted and any audit findings are identified and captured in the system.</li> <li>• Do not have audit requirements have submitted verification forms.</li> </ul> <p>Due to the timing of the report reviews, information is not always collected timely to enable follow-up with subrecipients within the required time frame.</p> <p>In response to the prior year’s finding, the Department has taken the following actions to improve internal controls over monitoring subrecipients’ audit requirements:</p> <ul style="list-style-type: none"> <li>• Updated procedures to run the CMS report prior to the end of the nine month required time frame so reminders can be sent to subrecipients.</li> <li>• Worked with staff responsible for entering audits into CMS to ensure audit requirements are correctly indicated.</li> <li>• Strengthened process to ensure audit reports are properly reviewed to identify findings that require appropriate follow-up actions.</li> <li>• Improved communication to staff to ensure work processes follow established policies related to subrecipient audit monitoring.</li> </ul>	<u>CFDA #</u>	<u>Amount</u>	16.575	\$0	93.568	
<u>CFDA #</u>	<u>Amount</u>							
16.575	\$0							
93.568								

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	009 (cont'd)	<p>The Department will continue to follow up on subrecipient audit findings identified during audits and will issue management decisions as required by federal regulations.</p> <p>The conditions noted in this finding were previously reported in findings 2019-011.</p> <p>Completion Date: August 2020</p> <p>Agency Contact: Jean Denslow                      Managing Director, Accounting Services                      PO Box 42525                      Olympia, WA 98504                      (360) 725-2739  <a href="mailto:jean.denslow@commerce.wa.gov">jean.denslow@commerce.wa.gov</a></p>



Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2020	010	<p data-bbox="483 422 1466 516">Finding: The Employment Security Department did not have adequate internal controls over and did not comply with requirements to ensure only eligible recipients received Unemployment Insurance benefits.</p> <table border="0" data-bbox="483 554 1094 646"> <tr> <td data-bbox="483 554 610 583">Questioned</td> <td data-bbox="672 554 764 583"><u>CFDA #</u></td> <td data-bbox="1003 554 1094 583"><u>Amount</u></td> </tr> <tr> <td data-bbox="483 583 553 613">Costs:</td> <td data-bbox="672 583 748 613">17.225</td> <td data-bbox="1003 583 1079 613">\$1,750</td> </tr> <tr> <td></td> <td colspan="2" data-bbox="672 613 889 646">17.225 - COVID-19</td> </tr> </table> <p data-bbox="483 680 963 709">Status: Corrective action not taken</p> <p data-bbox="483 743 1203 804">Corrective Action: The Department does not concur with the finding.</p> <p data-bbox="672 806 1466 1016">The unprecedented attack on the state’s unemployment system resulted in more than \$600 million paid on claims that initially appeared legitimate but were later discovered to be fraudulent. While the Department acknowledges there was a targeted imposter fraud, the Department did not agree with some of the statements described in the condition of the audit finding. These disagreements are detailed in the Department’s response to the finding.</p> <p data-bbox="672 1050 1466 1268">For unemployment claims, benefits are based on employer reports of wages paid and hours worked as imported from the Department’s Next Generation Tax System. As such, claimant’s employment information in support of eligibility is verified in each claim. Under the CARES Act, the new federal Pandemic Unemployment Assistance program did not require claimants to submit documentation to substantiate employment or self-employment wages for these claims.</p> <p data-bbox="672 1302 1433 1554">It should also be noted that the emergency proclamation to waive the required one-week waiting period for benefit payments was issued to increase federal funds to Washington for claimants and program administration, and to speed economic recovery. The waiting week for unemployment claims has never been used to verify employment status and, therefore, did not increase the likelihood of improper payments. While the waiver did not cause the imposter fraud attack or deter the Department’s detection efforts, it did increase the amount of loss.</p> <p data-bbox="672 1587 1466 1776">It is inevitable that some benefit payments will be made to people who are ineligible. The Department’s obligation under federal and state statutes and regulations and the terms and conditions of federal awards, is to assess overpayments for improper payments and attempt to recover them by reasonable means. It is incorrect to assume all improper benefit payments are questioned costs.</p> <p data-bbox="672 1810 1466 1999">The Department transparently shared information about the imposter fraud and its response. By prompt and extensive effort, the Department had recovered a total of \$356.4 million as of November 2020. The Department continues to conduct investigations into suspected fraudulent claims and work with federal law enforcement and the banking industry to recover additional fraudulent payments.</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	17.225	\$1,750		17.225 - COVID-19	
Questioned	<u>CFDA #</u>	<u>Amount</u>									
Costs:	17.225	\$1,750									
	17.225 - COVID-19										

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	010 (cont'd)	<p>The Department is a national leader in its imposter fraud response. In addition to recovering funds, the Department took other measures to prevent further losses.</p> <p>Completion Date: The auditors considered this finding resolved in fiscal year 2021.</p> <p>Agency Contact: Ben Hainline                      Director of Internal Audit                      PO Box 46000                      Olympia, WA 98504-6000                      (360) 902-9276  <a href="mailto:bhainline@esd.wa.gov">bhainline@esd.wa.gov</a></p>

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	011	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Employment Security Department did not have adequate internal controls over and did not comply with federal requirements to conduct case reviews for the Benefit Accuracy Measurement program of the Unemployment Insurance program in a timely manner.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>17.225</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department concurs with the finding.</p> <p>To address the staffing shortages in the Benefit Accuracy Measurement (BAM) program, the Department has hired four new staff for case sampling since September 2020.</p> <p>The Department hired one additional employee who started in May 2021 to be responsible for performing case reviews for the BAM program. The Department anticipates new staff will complete internal training and the National Association of State Workforce Agencies training within twelve months after the hire date. This staffing plan is aligned with the corrective action plan submitted to the U.S. Department of Labor as part of the required biennial State Quality Service Plan.</p> <p>The BAM unit is fully staffed, and once new staff are trained, the program will have sufficient resources to ensure case reviews are conducted in a timely manner in accordance with federally mandated timelines.</p> <p>Estimated May 2022</p> <p>Ben Hainline                      Director of Internal Audit                      PO Box 46000                      Olympia, WA 98504-6000                      (360) 902-9276  <a href="mailto:bhainline@esd.wa.gov">bhainline@esd.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	17.225	\$0
<u>CFDA #</u>	<u>Amount</u>						
17.225	\$0						

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status													
2020	012	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Employment Security Department did not have adequate internal controls over and did not comply with requirements to ensure quarterly performance reports for the Workforce Innovation and Opportunity grant were submitted completely and accurately</p> <table border="0" data-bbox="670 577 1096 703"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td>17.258</td> <td></td> <td style="text-align: center;">\$0</td> </tr> <tr> <td>17.259</td> <td></td> <td></td> </tr> <tr> <td>17.278</td> <td></td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>As of June 2021, the Department began the process of developing a comprehensive system and set of protocols to strengthen internal controls over the completion and submission of quarterly performance reports for the Workforce Innovation and Opportunity grant. Two Business Analyst positions will be hired to assist with the project.</p> <p>The current project includes the following:</p> <ul style="list-style-type: none"> <li>• Establish a data management framework that supports the Department’s internal Participant Individual Record Layout (PIRL) validation controls and quality assurance processes to research and identify anomalies.</li> <li>• Initiate a process to outline, identify, and develop documented requirements for common PIRL data elements.</li> <li>• Establish a standardized framework that provides technical assistance (TA) sessions to the job centers, actively manages PIRL related performance, and provides ongoing TA training sessions.</li> <li>• Define and develop a PIRL data architecture that will enable greater data integrity and internal controls.</li> <li>• Develop written procedures for:                         <ul style="list-style-type: none"> <li>○ A data validation strategy to identify and correct errors or missing data.</li> <li>○ Monitoring protocols.</li> <li>○ Quarterly data review and electronic data checks.</li> <li>○ Annual staff training.</li> </ul> </li> <li>• Establish a governance and change management framework for maintaining documentation of the validation process to ensure compliance as federal requirements are updated and/or established.</li> </ul> <p>As of June 30, 2021:</p> <ul style="list-style-type: none"> <li>• A draft technical assistance framework has been mapped, key stakeholders are engaged, and gaps are being assessed.</li> <li>• A quarterly analysis data quality process, which aligned with the US Department of Labor’s expectations, was initiated with key stakeholders to ensure that critical PIRL elements are reviewed regularly.</li> </ul>		<u>CFDA #</u>	<u>Amount</u>	17.258		\$0	17.259			17.278		
	<u>CFDA #</u>	<u>Amount</u>													
17.258		\$0													
17.259															
17.278															

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	012 (cont'd)	Completion Date: Estimated March 2022  Agency Contact: Ben Hainline Director of Internal Audit PO Box 46000 Olympia, WA 98504-6000 (360) 902-9276 <a href="mailto:bhainline@esd.wa.gov">bhainline@esd.wa.gov</a>

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2020	013	<p>Finding: The Employment Security Department did not have adequate internal controls over and did not comply with requirements to perform risk assessments or fiscal monitoring for subrecipients of the Workforce Innovation and Opportunity Act grant.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 577 1096 703"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>17.258</td> <td>\$0</td> </tr> <tr> <td>17.259</td> <td></td> </tr> <tr> <td>17.278</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department has established procedures for monitoring Local Workforce Development Boards (LWDBs), which includes mandatory annual onsite monitoring and a risk-based assessment process throughout the monitoring process.</p> <p>Due to the Governor’s Stay Home, Stay Healthy order, the Department was not able to resume normal monitoring activities in the last part of the fiscal year. The Department did reach out to the U.S. Department of Labor to seek a waiver which was not granted. The Department has since developed protocols and tools to allow remote-virtual review of fiscal documentation.</p> <p>During the fiscal year 2020 review period, there were four LWDBs that did not receive a comprehensive administrative and fiscal review. The Department had communicated to those LWDBs that the fiscal year 2021 review would cover two years’ worth of expenditures and activities.</p> <p>As of June 2021, the Department completed full reviews of the four LWDBs that encompassed both fiscal years.</p> <p>The conditions noted in this finding were previously reported in finding 2019-012.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Ben Hainline                      Director of Internal Audit                      PO Box 46000                      Olympia, WA 98504-6000                      (360) 902-9276  <a href="mailto:bhainline@esd.wa.gov">bhainline@esd.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	17.258	\$0	17.259		17.278	
<u>CFDA #</u>	<u>Amount</u>									
17.258	\$0									
17.259										
17.278										

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2020	014	<p>Finding: The Department of Transportation did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Highway Planning and Construction Cluster.</p> <p>Questioned Costs:</p> <table border="0"> <tr> <td></td> <td><u>CFDA #</u></td> <td><u>Amount</u></td> </tr> <tr> <td></td> <td>20.205</td> <td>\$0</td> </tr> <tr> <td></td> <td>20.219</td> <td></td> </tr> <tr> <td></td> <td>20.224</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is committed to ensure that our grant programs comply with federal regulations regarding required risk assessments.</p> <p>In response to prior years' audit findings, the Department took corrective actions to address the audit recommendations, as follows:</p> <ul style="list-style-type: none"> <li>As of June 2019, established a risk assessment program to inform required monitoring activities.</li> <li>Developed a risk assessment form to document assessments performed.</li> <li>Communicated information on the risk assessment program to appropriate headquarters and regional staff.</li> <li>Reviewed initial risk assessment forms completed by regional staff to ensure they were completed properly.</li> </ul> <p>When the Governor issued the Stay Home, Stay Healthy order, regional staff's focus was redirected to project shut down, safety, and reopening plans, which slowed completion of some risk assessments.</p> <p>The Department will:</p> <ul style="list-style-type: none"> <li>Continue to maintain ongoing communication with regional staff to ensure risk assessments are performed and properly documented in accordance with the risk assessment program guidelines.</li> <li>Update the risk assessment form to allow documentation of multiple obligations during a project's phase.</li> <li>Work with regional management to modify staff's position descriptions to include performing required monitoring activities, such as completing risk assessments timely.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-016 and 2018-012.</p> <p>Completion Date: Estimated March 2022</p> <p>Agency Contact: Jesse Daniels                      External Audit Liaison                      PO Box 47320                      Olympia, WA 98504                      (360) 705-7035  <a href="mailto:danielje@wsdot.wa.gov">danielje@wsdot.wa.gov</a></p>		<u>CFDA #</u>	<u>Amount</u>		20.205	\$0		20.219			20.224	
	<u>CFDA #</u>	<u>Amount</u>												
	20.205	\$0												
	20.219													
	20.224													

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2020	015	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Transportation did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Highway Planning and Construction Cluster received required single audits.</p> <table border="0"> <thead> <tr> <th data-bbox="673 575 764 604"><u>CFDA #</u></th> <th data-bbox="1003 575 1094 604"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 604 764 634">20.205</td> <td data-bbox="1003 604 1094 634">\$0</td> </tr> <tr> <td data-bbox="673 634 764 663">20.219</td> <td></td> </tr> <tr> <td data-bbox="673 663 764 693">20.224</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>In response to the prior year’s audit finding, the Department took the following corrective actions to address the audit recommendations:</p> <ul style="list-style-type: none"> <li>• Updated the Local Agency Guidelines Manual and subaward agreements to reflect the current \$750,000 single audit threshold and added language that requires local agencies to comply with the single audit or program-specific audit requirements.</li> <li>• Provided training to local agencies throughout the year that includes reminders of the single audit requirements.</li> <li>• For local agencies that received Department subawards below the single audit threshold, the Department sent communication that outlines the federal regulations and requests written verification to confirm if a single audit is applicable.</li> <li>• For local agencies that are subject to the single audit, the Department monitors the submission of the required audit report, follows up on any reported deficiencies, and takes the appropriate actions.</li> </ul> <p>Due to the Governor’s Stay Home, Stay Healthy order in response to the pandemic, full implementation of these corrective actions was delayed in fiscal year 2020. The Department’s Local Program had to shift efforts to implement a new way of doing business for authorizing federal funds, processing reimbursements, and all other services necessary to ensure reasonable federal compliance while minimizing delays to the delivery of local agency capital projects during this critical time.</p> <p>Beginning in fiscal year 2021, the updated process will be fully implemented.</p> <p>The conditions noted in this finding were previously reported in finding 2019-017.</p> <p>In progress</p> <p>Jesse Daniels                      External Audit Liaison                      PO Box 47320                      Olympia, WA 98504                      (360) 705-7035                      danielje@wsdot.wa.gov</p>	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.219		20.224	
<u>CFDA #</u>	<u>Amount</u>										
20.205	\$0										
20.219											
20.224											



Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2020	016	<p>Finding: The Department of Transportation did not have adequate internal controls over and did not comply with requirements to conduct program and fiscal monitoring of subrecipients for the Highway Planning and Constructions Cluster.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 583 1096 703"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>20.205</td> <td>\$0</td> </tr> <tr> <td>20.219</td> <td></td> </tr> <tr> <td>20.224</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is committed to ensuring that our grant programs comply with federal regulations related to subrecipient monitoring.</p> <p>To address the audit recommendations, the Department’s Local Programs Division will examine current policies and procedures/practices related to the audit issues.</p> <p>Recently, the Department received communication from the Federal Highway Administration (FHWA) that it supports a risk-based monitoring approach for Project Management Reviews (PMRs), which includes:</p> <ul style="list-style-type: none"> <li>• Performing a PMR once a project is substantially complete or complete.</li> <li>• Not performing a PMR on projects with minimal risk.</li> </ul> <p>FHWA is currently working on modifying the Stewardship and Oversight Agreement template, which would allow the Department to update language in the agreement to align with standards or best practices. If the modified agreement template is not received within a reasonable timeframe, the Department will seek written approval in another form from FHWA’s Washington Division to allow completion of PMRs on a risk-based schedule.</p> <p>In addition, the Department will:</p> <ul style="list-style-type: none"> <li>• Update the Local Agency Guidelines (LAG) Manual to reflect the scheduling of a PMR once the project is substantially complete or complete.</li> <li>• Attempt to complete PMRs in the required 3-year timeframe until the agreement and LAG Manual updates are completed.</li> <li>• Communicate changes to policies and procedures, the LAG Manual, and the agreement to Local Program staff and stakeholders.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2019-015.</p>	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.219		20.224	
<u>CFDA #</u>	<u>Amount</u>									
20.205	\$0									
20.219										
20.224										

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	016 (cont'd)	Completion Date: Estimated September 2021  Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504 (360) 705-7035 <a href="mailto:danielje@wsdot.wa.gov">danielje@wsdot.wa.gov</a>

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2020	017	<p>Finding: The Department of Transportation did not have adequate internal controls over and did not comply with quality assurance program requirements to ensure materials testing was performed by qualified testing personnel for projects funded by the Highway Planning and Construction Cluster.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 583 1096 709"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>20.205</td> <td>\$0</td> </tr> <tr> <td>20.219</td> <td></td> </tr> <tr> <td>20.224</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is committed to ensuring that our grant programs comply with federal regulations related to quality assurance requirements, safeguarding materials, testing workmanship according to approved plans and specifications, conducting inspections and certifications, and that testing is completed by qualified testers.</p> <p>In response to the prior year’s audit finding with the quality assurance program related to material testing, the Department took corrective actions to address the audit recommendations, as follows:</p> <ul style="list-style-type: none"> <li>• Updated the Department’s Construction and Standard Specifications Manuals regarding:                         <ul style="list-style-type: none"> <li>○ Requirements for emergency contracts.</li> <li>○ Requirements for facility contracts.</li> </ul> </li> <li>• Provided clarifications needed to address practices and documentation to document material testing, inspections, and acceptance.</li> </ul> <p>To address the current audit recommendations, the Department’s Construction Division will:</p> <ul style="list-style-type: none"> <li>• Examine current policies and procedures/practices related to the tester certifications.</li> <li>• Update policies and procedures as needed, including the Department’s Construction (M46-01) and Standard Specifications (M41-10) Manuals, to ensure compliance with federal regulations regarding tester qualifications. The updates will also include procedures for tester certification from the Western Alliance of Quality Transportation, as appropriate.</li> <li>• Obtain approval of updates to the Construction Manual from the Federal Highway Administration.</li> <li>• Communicate changes in policies and procedures to division staff and stakeholders.</li> </ul> <p>Similar conditions related to quality assurance program requirements were previously reported in finding 2019-019.</p>	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.219		20.224	
<u>CFDA #</u>	<u>Amount</u>									
20.205	\$0									
20.219										
20.224										

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	017 (cont'd)	Completion Date: Estimated September 2021  Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504 (360) 705-7035 <a href="mailto:danielje@wsdot.wa.gov">danielje@wsdot.wa.gov</a>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	018	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure the Coronavirus Relief Fund was used for allowable purposes and payments fell within the period of performance.</p> <table border="0" data-bbox="667 583 974 646"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>21.019 - COVID-19</td> <td>\$40,095,634</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department’s Cost Allocation and Grants Unit was under resourced as a result of the Governor’s mandatory stay-home executive order, hiring freezes, and staff furloughs. The applications that providers must fill out to apply for the Coronavirus Relief Fund (CRF) include the requirement for providers to keep all receipts and spending documentation and submit to the Department upon request. Due to insufficient staff resources, there was not an established process to request supporting documentation from providers at the time of the audit.</p> <p>In October 2020, the Department received the request from the Legislature and the Office of the Financial Management to transfer expenditures previously paid to child care providers and other goods and services to the CRF. The Department processed an accounting adjustment, but did not have adequate time or resources to identify the detailed expenditures for this adjustment while performing year-end reconciliation and closing entries for fiscal year 2020.</p> <p>In response to the audit issues, the Department reversed the October 2020 accounting journal voucher adjustment totaling \$40.6 million.</p> <p>Additionally, the Department will:</p> <ul style="list-style-type: none"> <li>• Review fiscal year 2020 expenditures to ensure charges to the CRF are allowable.</li> <li>• Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</li> </ul> <p>Estimated September 2021</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	21.019 - COVID-19	\$40,095,634
<u>CFDA #</u>	<u>Amount</u>						
21.019 - COVID-19	\$40,095,634						

Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	019	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Health did not ensure payments from the Coronavirus Relief Fund occurred during the allowable period of performance.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>21.019 - COVID-19</td> <td>\$451,726</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department concurs with the finding and is committed to ensuring that grant programs comply with federal regulations related to period of performance.</p> <p>To address the audit recommendation, the Department will:</p> <ul style="list-style-type: none"> <li>• Work with the Office of Financial Management to reverse the journal voucher that was processed to move funding streams for COVID-related expenses and will transfer these charges to an allowable funding source.</li> <li>• Contact the federal grantor to determine if any questioned costs that are not moved to an allowable funding source should be repaid.</li> </ul> <p>Estimated September 2021</p> <p>Kristina White                      External Audit Manager                      PO Box 47890                      Olympia, WA 98504-7890                      (360) 236-4547  <a href="mailto:Kristina.White@doh.wa.gov">Kristina.White@doh.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	21.019 - COVID-19	\$451,726
<u>CFDA #</u>	<u>Amount</u>						
21.019 - COVID-19	\$451,726						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status							
2020	020	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p>	<p>The Department of Social and Health Services did not have adequate internal controls to ensure payments from the Coronavirus Relief Fund occurred during the allowable period of performance.</p> <table border="0" data-bbox="667 552 1125 615"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td></td> <td style="text-align: center;">21.019 - COVID-19</td> <td style="text-align: center;">\$8,681,008</td> </tr> </table> <p>Corrective action not taken</p> <p>The Department does not concur with the finding.</p> <p>During the pandemic, limited guidance was provided by the federal government regarding the CARES Act stimulus funding, which was also changing as new information became available.</p> <p>On April 22, 2020, the US Department of Treasury (Treasury) issued the Coronavirus Relief Fund (CRF) program guidance for state, territorial, local and tribal governments. The overarching guidance on the CRF stated that expenditures may only be used to cover costs that were:</p> <ul style="list-style-type: none"> <li>• Necessary expenditures incurred due to COVID-19;</li> <li>• Not accounted for in the budget most recently approved as of March 27, 2020; and</li> <li>• Incurred during the period between March 1, 2020, and December 30, 2020.</li> </ul> <p>The Treasury defined a cost to be incurred “when the responsible unit of government had expended the funds to cover the cost.” Further, it was assumed that similar to other areas of the CARES Act, the term “incurred” is measuring costs that were reasonably obligated and satisfied during the covered period to avoid instances where an entity is pre-paying expenses in an effort to maximize the use of the funding, but for which the entity does not have a legal obligation to pay such costs (e.g., pre-paying rent, utility or other contractual obligations).</p> <p>The CRF was allocated to the Department after the end of fiscal year 2020. The Department used journal vouchers to transfer expenditures that occurred during fiscal year 2020 to the CRF. All costs that were moved were for expenditures made on or after March 1, 2020. Based on the April 2020 guidance provided by Treasury, the Department does not believe it was out of compliance during the time period under review.</p> <p>The Department maintains that the questioned costs identified in the finding were unsubstantiated, and will continue to work with the Office of Financial Management in ensuring all federal funding is used for allowable purposes.</p> <p style="text-align: right;">Not applicable</p>		<u>CFDA #</u>	<u>Amount</u>		21.019 - COVID-19	\$8,681,008
	<u>CFDA #</u>	<u>Amount</u>							
	21.019 - COVID-19	\$8,681,008							

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	020 (cont'd)	Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 4804 Olympia, WA 98504-5804 (360) 664-6027 <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a>



Washington State University

Agency 365

Fiscal Year	Finding Number	Finding and Corrective Action Status														
2020	021	<p>Finding: Washington State University did not establish adequate internal controls over and did not comply with federal requirements to conduct risk assessments of student information security for the Student Financial Assistance programs.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="672 583 764 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1096 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="672 615 748 642">84.007</td> <td data-bbox="1003 615 1031 642">\$0</td> </tr> <tr> <td data-bbox="672 646 748 674">84.033</td> <td></td> </tr> <tr> <td data-bbox="672 678 748 705">84.038</td> <td></td> </tr> <tr> <td data-bbox="672 709 748 737">84.063</td> <td></td> </tr> <tr> <td data-bbox="672 741 748 768">84.268</td> <td></td> </tr> <tr> <td data-bbox="672 772 748 800">84.379</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The University partially concurs with the finding.</p> <p>The University has processes in place to monitor and assess threats to information security, and has been engaging in risk evaluation activities for many years that include assessment of risks to the broad information security environment. In July 2020, the University implemented a new policy for conducting information security risk assessments and for review of authorizations. These activities, although not linked to the specific requirements, indirectly addressed the risk elements in the Gramm-Leach-Bliley Act.</p> <p>To address the audit recommendations, the University is working on implementing risk assessment processes specific to the requirements for information systems covered under the Gramm-Leach-Bliley Act, which includes:</p> <ul style="list-style-type: none"> <li>• Identifying internal controls.</li> <li>• Assessing risks of the information security system environment.</li> <li>• Documenting safeguards in place.</li> <li>• Implementing new processes as a result of the assessment activities.</li> <li>• Establishing monitoring processes for information system security to ensure federal compliance.</li> </ul> <p>Completion Date: Estimated March 2022</p> <p>Agency Contact: Heather Lopez                      Chief Audit Executive                      PO Box 64122                      Pullman, WA 99164-1221                      (509) 335-2001  <a href="mailto:hlopez@wsu.edu">hlopez@wsu.edu</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.007	\$0	84.033		84.038		84.063		84.268		84.379	
<u>CFDA #</u>	<u>Amount</u>															
84.007	\$0															
84.033																
84.038																
84.063																
84.268																
84.379																

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Status																											
2020	022	<p>Finding: The University of Washington did not establish adequate internal controls over and did not comply with requirements to verify applicant information for the Student Financial Assistance programs.</p> <table border="0" data-bbox="483 556 1096 840"> <tr> <td data-bbox="483 556 609 583">Questioned</td> <td data-bbox="673 556 771 583"><u>CFDA #</u></td> <td data-bbox="998 556 1096 583"><u>Amount</u></td> </tr> <tr> <td data-bbox="483 583 609 611">Costs:</td> <td data-bbox="673 583 771 611">84.007</td> <td data-bbox="998 583 1096 611">\$0</td> </tr> <tr> <td></td> <td data-bbox="673 611 771 638">84.033</td> <td></td> </tr> <tr> <td></td> <td data-bbox="673 638 771 665">84.038</td> <td></td> </tr> <tr> <td></td> <td data-bbox="673 665 771 693">84.063</td> <td></td> </tr> <tr> <td></td> <td data-bbox="673 693 771 720">84.268</td> <td></td> </tr> <tr> <td></td> <td data-bbox="673 720 771 747">93.264</td> <td></td> </tr> <tr> <td></td> <td data-bbox="673 747 771 774">93.342</td> <td></td> </tr> <tr> <td></td> <td data-bbox="673 774 771 802">93.364</td> <td></td> </tr> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: The University has adequate internal controls over the student financial aid program and maintains a system of quality assurance review to ensure compliance with federal regulations. These controls have proved to be effective since no audit issue has been identified in the past.</p> <p>It should be noted that during the audit period under review, the University had a priority of disbursing student financial aid to the significant population of students and families impacted by the pandemic, which was further complicated by working in a remote environment. The University had to temporarily postpone the post award quality assurance process.</p> <p>Prior to the audit, the University had already planned on reinstating the quality review process. In addition, the University has taken actions to strengthen internal controls over the applicant verification process to address the audit recommendations:</p> <p>As of January 2021, the University repaid the awarded amounts that were overpaid to students identified in the audit.</p> <p>As of March 2021, the University:</p> <ul style="list-style-type: none"> <li>• Updated current training materials to include the types of non-compliance found in the audit.</li> <li>• Provided two training sessions to staff, with plans to maintain an ongoing training schedule at least annually.</li> </ul> <p>By November 2021, the Department will establish a secondary review process of a sample population to identify any errors in the verification process, including post verification of changes to Institutional Student Information Records. The results of the review will be used to identify any procedural changes or training needs.</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	84.007	\$0		84.033			84.038			84.063			84.268			93.264			93.342			93.364	
Questioned	<u>CFDA #</u>	<u>Amount</u>																											
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	84.268																												
	93.264																												
	93.342																												
	93.364																												

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	022 (cont'd)	Completion Date: November 2021  Agency Contact: Dan Schaaf Controller 4300 Roosevelt Way NE Seattle, WA 98105 (206) 685-6423 <a href="mailto:schaafd@uw.edu">schaafd@uw.edu</a>

University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Status																											
2020	023	<p>Finding: The University of Washington did not establish adequate internal controls over and did not comply with federal requirements to conduct risk assessments of student information security for the Student Financial Assistance programs.</p> <table border="0"> <tr> <td style="padding-right: 20px;">Questioned Costs:</td> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="padding-right: 20px;"><u>Amount</u></td> </tr> <tr> <td></td> <td>84.007</td> <td>\$0</td> </tr> <tr> <td></td> <td>84.033</td> <td></td> </tr> <tr> <td></td> <td>84.038</td> <td></td> </tr> <tr> <td></td> <td>84.063</td> <td></td> </tr> <tr> <td></td> <td>84.268</td> <td></td> </tr> <tr> <td></td> <td>93.264</td> <td></td> </tr> <tr> <td></td> <td>93.342</td> <td></td> </tr> <tr> <td></td> <td>93.364</td> <td></td> </tr> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: The University has established adequate internal controls to ensure student information security for the Student Financial Assistance programs. There are existing efforts being performed that address the risk elements in the Gramm-Leach-Bliley Act, as described in the response to the finding.</p> <p>As of June 30, 2021, the University:</p> <ul style="list-style-type: none"> <li>• Organized and updated documentation of risk assessment activities and information security controls for student information into a single set of information security plans with a clear mapping to the requirements of the Act.</li> <li>• Developed a process to review and update documentation of ongoing activities at least annually to address changes to information security practices or risks as part of the University's information technology management practice.</li> </ul> <p>By August 31, 2021, the University will:</p> <ul style="list-style-type: none"> <li>• Assess the adequacy of the information security controls using one or more industry-accepted cybersecurity models.</li> </ul> <p>Completion Date: August 2021</p> <p>Agency Contact: Dan Schaaf                      Controller                      4300 Roosevelt Way NE                      Seattle, WA 98105                      (206) 685-6423  <a href="mailto:schaafd@uw.edu">schaafd@uw.edu</a></p>	Questioned Costs:	<u>CFDA #</u>	<u>Amount</u>		84.007	\$0		84.033			84.038			84.063			84.268			93.264			93.342			93.364	
Questioned Costs:	<u>CFDA #</u>	<u>Amount</u>																											
	84.007	\$0																											
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University of Washington

Agency 360

Fiscal Year	Finding Number	Finding and Corrective Action Status											
2020	024	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The University of Washington did not establish adequate internal controls over and did not comply with requirements to report student enrollment information accurately for the Student Financial Assistance programs.</p> <table border="0"> <thead> <tr> <th data-bbox="673 554 764 579"><u>CFDA #</u></th> <th data-bbox="1003 554 1094 579"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 583 748 609">84.007</td> <td data-bbox="1003 583 1029 609">\$0</td> </tr> <tr> <td data-bbox="673 613 748 638">84.033</td> <td></td> </tr> <tr> <td data-bbox="673 642 748 667">84.063</td> <td></td> </tr> <tr> <td data-bbox="673 672 748 697">84.268</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>To address the audit recommendations, the Office of the University Registrar (University) will take the following actions to strengthen monitoring of the National Student Clearinghouse (NSC) to ensure enrollment information reported in the National Student Loan Data System (NSLDS) is accurate and complete:</p> <ul style="list-style-type: none"> <li>• Establish an audit process for student enrollment data submitted by NSC to NSLDS on a quarterly basis by the summer quarter of 2021. This audit will monitor data in the NSLDS system to ensure accuracy.</li> <li>• Provide a supplemental graduation file each time the Degree Verification file is submitted starting in mid-May 2021. The University will also submit the graduation files for each of the quarters of the 2019-2020 and 2020-2021 academic years.</li> <li>• Follow up with the NSC to determine if changes to system configuration are required to comply with federal enrollment reporting requirements.</li> <li>• Determine whether previously reported enrollment data in NSLDS needs to be corrected.</li> </ul> <p>In addition, the University will monitor and identify student records with double majors that were impacted by the lack of secondary graduate file submission, and will ensure NSC submits these records to the NSLDS database accurately.</p> <p>October 2021</p> <p>Dan Schaaf                      Controller                      4300 Roosevelt Way NE                      Seattle, WA 98105                      (206) 685-6423  <a href="mailto:schaafd@uw.edu">schaafd@uw.edu</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.007	\$0	84.033		84.063		84.268	
<u>CFDA #</u>	<u>Amount</u>												
84.007	\$0												
84.033													
84.063													
84.268													

Yakima Valley Community College

Agency 691

Fiscal Year	Finding Number	Finding and Corrective Action Status										
2020	025	<p>Finding: Yakima Valley College did not establish adequate internal controls over and did not comply with requirements to accurately report student enrollment information for the Student Financial Assistance programs.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><u>CFDA #</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>84.007</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>84.033</td> <td></td> </tr> <tr> <td>84.063</td> <td></td> </tr> <tr> <td>84.268</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: The College concurs with the finding.</p> <p>As of March 2021, the College established additional internal controls to ensure reported enrollment levels comply with the Department of Education’s enrollment reporting requirements. This includes:</p> <ul style="list-style-type: none"> <li>• Reconfiguring the system enrollment status codes to align with federal requirements for full-time and part-time enrollment.</li> <li>• Limiting access to registration system settings to authorized personnel – the Registrar, and Dean of Student Services.</li> <li>• Initiating a process to monitor the integrity of the system settings quarterly to ensure accurate reporting of enrollment level data.</li> </ul> <p>The College is currently working with the U.S. Department of Education to determine whether previously reported enrollment data needs to be corrected.</p> <p>Completion Date: September 2021</p> <p>Agency Contact: Oscar Verduzco                      Financial Aid Director                      PO Box 22520                      Yakima, WA 98907-2520                      (509) 574-4937  <a href="mailto:overduzco@yvcc.edu">overduzco@yvcc.edu</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.007	\$0	84.033		84.063		84.268	
<u>CFDA #</u>	<u>Amount</u>											
84.007	\$0											
84.033												
84.063												
84.268												

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	026	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with federal requirements to ensure Local Education Agencies implemented testing security measures.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">84.010</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Office concurs with the finding.</p> <p>The Office has policies and procedures in place for monitoring Local Education Agencies (LEAs) to ensure testing security protocols are followed, which includes submitting a District Administration and Security Report (DASR) to the Office after completion of each test administration. DASRs are typically submitted to the Office at the end of the test administration window which usually ends in early June. These procedures were in place prior to the Spring 2020 testing period.</p> <p>The Office had developed and had planned to implement new monitoring protocols in Spring 2020 to ensure all LEAs that administer testing submit the required DASR. However, due to the COVID-19 pandemic and school facilities closures, most school districts did not administer testing during that time. The few districts that did were not able to access and retrieve documentation and security reports for submission to the Office.</p> <p>Currently, the Office is actively working with LEAs that administered testing in Spring 2020 to submit their 2020 DASRs.</p> <p>The Office will continue to follow implemented monitoring protocols to collect and review complete test security documentation from all LEAs.</p> <p>In progress</p> <p>Kimberly DeRousie                      State Test Coordinator                      PO Box 47200                      Olympia, WA 98504-7200                      (360) 725-6353  <a href="mailto:Kimberly.DeRousie@k12.wa.us">Kimberly.DeRousie@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.010	\$0
<u>CFDA #</u>	<u>Amount</u>						
84.010	\$0						

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	027	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over the quality control process related to the proper identification and recruitment of eligible children for the Migrant Education State Grant Program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">84.011</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>The Office concurs with the finding.</p> <p>The Office’s Migrant Education Program will re-instate its established procedures to monitor the school district that was contracted to identify and recruit eligible migratory students for the program and to carry out the required quality control process.</p> <p>The Office has been reviewing the quality control procedures established at the school district to determine if adequate internal controls are in place to reduce the risk of inaccurately identifying eligible migratory students:</p> <ul style="list-style-type: none"> <li>• As of March 2021, the Office provided a review checklist to the school district regarding items under review.</li> <li>• As of April 2021, the school district submitted requested materials to the Office for pre-review. Based on the pre-review, the Office identified clarifying questions to ask as part of the formal review.</li> <li>• As of May 2021, the Office scheduled meetings with the school district to review the results of each item monitored. The meetings will identify areas where procedures or policies need to be updated or corrected.</li> </ul> <p>By July 2021, the Office will finalize the report of the review for program files. The results of the review will also be submitted to the Migrant Student Data Recruitment and Support Office and the school district to communicate any modifications or adjustments to the contract and deliverable services for program period 2021-2022.</p> <p>Sylvia Reyna                      Assistant Director, Title I Part C Migrant Education                      PO Box 47200                      Olympia, WA 98504-7200                      (360) 725-6147  <a href="mailto:sylvia.reyna@k12.wa.us">sylvia.reyna@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.011	\$0
<u>CFDA #</u>	<u>Amount</u>						
84.011	\$0						



Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Status							
2020	028	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to ensure payments to subrecipients were adequately supported for the Special Education program.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>84.027</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>84.173</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>Beginning with the 2021-22 school calendar year, the Office’s operations unit will implement the following processes:</p> <ul style="list-style-type: none"> <li>• Complete fiscal risk assessments for all local education agencies (LEAs).</li> <li>• Select LEAs for either on-site/virtual monitoring or desk review based on the risk assessment results.</li> <li>• Require LEAs to submit expenditure reports for claims submitted each month.</li> <li>• Select a representative sample of reimbursement requests and perform testing to ensure they are allowable and adequately supported.</li> </ul> <p>Estimated December 2022</p> <p>Tina Pablo-Long                      Director of Operations                      PO Box 47200                      Olympia, WA 98504                      (360) 764-0537  <a href="mailto:tina.pablo-long@k12.wa.us">tina.pablo-long@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.027	\$0	84.173	
<u>CFDA #</u>	<u>Amount</u>								
84.027	\$0								
84.173									

Yakima Valley Community College

Agency 691

Fiscal Year	Finding Number	Finding and Corrective Action Status						
2020	029	<p>Finding: Yakima Valley College did not have adequate internal controls over and did not comply with Student Financial Assistance Programs applicant verification requirements.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 552 1096 646"> <thead> <tr> <th data-bbox="673 552 771 583"><u>CFDA #</u></th> <th data-bbox="1003 552 1096 583"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 583 771 615">84.063</td> <td data-bbox="1003 583 1096 615">\$0</td> </tr> <tr> <td data-bbox="673 615 771 646">84.268</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: The College concurs with the finding.</p> <p>As of March 2021, the College’s Financial Aid Office established additional internal controls to prevent inadvertent errors in the manual verification process of applicant information for the financial assistance program. This includes:</p> <ul data-bbox="703 940 1476 1283" style="list-style-type: none"> <li>• Developing a new checklist for staff to follow during the verification process of selected files.</li> <li>• Establishing a process to ensure staff cover all fields included on the verification checklist and compare against supporting documentation.</li> <li>• Beginning an internal audit protocol of reviewing a random sample of verified files to ensure corrections are submitted accurately to the central processor.</li> <li>• Reviewing error trends to identify training opportunities for continuous improvement.</li> </ul> <p>The College will consult with the grantor to discuss whether the overpayment identified in the audit should be repaid.</p> <p>Completion Date: May 2021</p> <p>Agency Contact: Oscar Verduzco                      Financial Aid Director                      PO Box 22520                      Yakima, WA 98907-2520                      (509) 574-4937  <a href="mailto:overduzco@yvcc.edu">overduzco@yvcc.edu</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.063	\$0	84.268	
<u>CFDA #</u>	<u>Amount</u>							
84.063	\$0							
84.268								

Department of Services for the Blind

Agency 315

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	030	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Services for the Blind did not have adequate internal controls to ensure payroll expenditures charged to the Vocational Rehabilitation grant were allowable.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">84.126</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>The Department implemented the following procedures to strengthen internal controls over payroll expenditures charged to the Vocational Rehabilitation grant:</p> <ul style="list-style-type: none"> <li>• The Deputy Financial Officer:                             <ul style="list-style-type: none"> <li>○ Performs additional reviews of payroll reports to ensure position cost coding is consistent with the federally approved cost allocation plan.</li> <li>○ Notifies Human Resources and Small Agency Financial Services to make corrections as needed.</li> <li>○ Documents the payroll reviews to provide timely assurance that unallowable payroll expenditures are not charged to the grant.</li> </ul> </li> <li>• The Department’s Human Resources Division reviews all timesheets to ensure they are appropriately signed by supervisors prior to submission for payroll processing.</li> </ul> <p>May 2021</p> <p>Jeannie Brown                      Senior Financial Officer                      PO Box 40933                      Olympia, WA 98504-0933                      (360) 867-8260  <a href="mailto:Jeannie.brown@dsb.wa.gov">Jeannie.brown@dsb.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.126	\$0
<u>CFDA #</u>	<u>Amount</u>						
84.126	\$0						

Department of Services for the Blind

Agency 315

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	031	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Services for the Blind did not have adequate internal controls over reporting requirements for the Vocational Rehabilitation grant.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>84.126</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>During the audit period, the Department implemented corrective actions to address the audit recommendations and to strengthen internal controls to ensure compliance with federal reporting requirements.</p> <ul style="list-style-type: none"> <li>• As of February 2020, hired a Senior Financial Officer (SFO) with experience in federal reporting requirements.</li> <li>• As of March 2020, implemented policies and procedures related to Vocational Rehabilitation Program (RSA) reporting, which includes requirement of a secondary review and approval of the RSA reports by the SFO prior to submission.</li> <li>• As of April 2020, completed staff training on the new reporting policies and procedures.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-027, 2018-019, and 2017-010.</p> <p>June 2020</p> <p>Jeannie Brown                      Senior Financial Officer                      PO Box 40933                      Olympia, WA 98504-0933                      (360) 867-8260  <a href="mailto:Jeannie.brown@dsb.wa.gov">Jeannie.brown@dsb.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.126	\$0
<u>CFDA #</u>	<u>Amount</u>						
84.126	\$0						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status				
2020	032	<p>Finding: The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to ensure payments paid on behalf of clients for the Vocational Rehabilitation grant were allowable.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: middle;"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>84.126</td> <td style="text-align: right;">\$13,143</td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding.                      The Division of Vocational Rehabilitation will take the following corrective actions:                      By September 2021, the Department will:                     <ul style="list-style-type: none"> <li>• Develop a process to monitor the approval of client services.</li> <li>• Contact the Department of Education, Rehabilitation Services Administration, regarding the questioned costs identified in this audit.</li> </ul>                     By January 2022, the Department will:                     <ul style="list-style-type: none"> <li>• Develop training for staff to reinforce understanding of existing federal requirements for the authorizations of client service purchases.</li> <li>• Implement a process improvement regarding the timing and types of approval required for vocational rehabilitation services.</li> <li>• Review existing policies and procedures with a focus on changes to clients' plans for employment.</li> <li>• Implement improvements to existing supervisory review protocols.</li> </ul>                     The Department is currently in the process of procuring a new case management system. By January 2023, the Department will incorporate automated controls to validate authorizations for purchases into the design for the new system.                      The conditions noted in this finding were previously reported in findings 2019-023, 2018-023, 2017-014, and 2016-013.</p> <p>Completion Date: Estimated January 2023</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.126	\$13,143
<u>CFDA #</u>	<u>Amount</u>					
84.126	\$13,143					

Yakima Valley Community College

Agency 691

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	033	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Yakima Valley College did not establish adequate internal controls over and did not comply with requirements to reconcile its institution records with Direct Loan disbursement records monthly.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>84.268</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>The College concurs with the finding.</p> <p>As of February 2021, with the assistance of the Common Origination and Disbursement (COD) System technical support, the College resolved the technical issue of generating School Account Statement (SAS) data files from the system.</p> <p>Additionally, the College took the following actions to improve internal controls over the reconciliation of direct loan disbursement records:</p> <ul style="list-style-type: none"> <li>• Established a written process to confirm the receipt of the monthly SAS records by the Financial Aid and Business Offices.</li> <li>• Implemented a process to use the SAS data files in conjunction with the functionality of the College’s Student Management System to reconcile and identify direct loan discrepancies on a monthly basis.</li> <li>• Required each discrepancy to be documented with an explanation and the appropriate resolution.</li> </ul> <p>February 2021</p> <p>Oscar Verduzco                      Financial Aid Director                      PO Box 22520                      Yakima, WA 98907-2520                      (509) 574-4937  <a href="mailto:overduzco@yvcc.edu">overduzco@yvcc.edu</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.268	\$0
<u>CFDA #</u>	<u>Amount</u>						
84.268	\$0						

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2020	034	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the State Opioid Response program, the Block Grants for Prevention and Treatment of Substance Abuse program, and the Substance Abuse and Mental Health Services Projects of Regional and National Significance program received required audits.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="673 646 764 674"><u>CFDA #</u></th> <th data-bbox="1003 646 1094 674"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 678 748 705">93.243</td> <td data-bbox="1003 678 1029 705">\$0</td> </tr> <tr> <td data-bbox="673 709 748 737">93.788</td> <td></td> </tr> <tr> <td data-bbox="673 741 748 768">93.959</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: Since the Authority assumed responsibilities over these grant programs in fiscal year 2019, a multi-divisional subrecipient monitoring workgroup was established to develop internal controls and monitoring procedures for subrecipients.</p> <p>The Authority has since developed policies and procedures related to subrecipient audit monitoring, and implementation is currently in process. The Authority will continue efforts under the subrecipient monitoring workgroup to ensure the policies and procedures are fully implemented and an adequate audit monitoring process is in place.</p> <p>The conditions noted in this finding were previously reported in findings 2019-028 and 2019-065. These conditions were also previously reported under Department of Social and Health Services findings 2018-025, 2017-016, 2016-014, 2015-016 and 2014-019.</p> <p>Completion Date: December 2021</p> <p>Agency Contact: Keri Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.243	\$0	93.788		93.959	
<u>CFDA #</u>	<u>Amount</u>									
93.243	\$0									
93.788										
93.959										

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	035	<p>Finding: The Department of Social and Health Services did not have adequate internal controls to ensure it submitted accurate quarterly reports for the Temporary Assistance for Needy Families grant.</p> <p>Questioned Costs: <u>CFDA #</u> 93.558 <u>Amount</u> \$0</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>As of July 2020, the Department implemented the following independent review process for the Temporary Assistance for Needy Families (TANF) grant quarterly reports:</p> <ul style="list-style-type: none"> <li>• Research &amp; Data Analysis (RDA) Division staff generate TANF and Separate State Assistance Maintenance of Effort quarterly samples for data validation.</li> <li>• RDA staff review the samples against source data systems with the assistance from TANF policy representatives, and document the review and any discrepancies.</li> <li>• The manager of the federal reporting team independently reviews the quality assurance results and ensures corrections are made as needed.</li> </ul> <p>In January 2021, the Department transitioned the primary responsibility for TANF federal reporting from RDA to the Economic Services Administration (ESA). ESA continues to follow the quality assurance process for each report and also performs quarterly internal control/quality assurance reviews through random sampling of the ACF-199 and ACF-209 reported cases.</p> <p>As of June 2021,ESA established an independent review process for all code changes.</p> <p>Due to the timing and frequency of audits, the Department is not usually made aware of a finding until six months after the state fiscal year concludes. It is not always feasible to correct audit issues within the next six months before a new audit cycle begins. For this reason, the Department anticipates that the audit issues identified in the current audit will still be outstanding at least in the first part of the subsequent audit period.</p> <p>The Department will continue to ensure:</p> <ul style="list-style-type: none"> <li>• Independent review and documentation of all code changes.</li> <li>• Use of Microsoft Team Foundation Server for code repository.</li> <li>• Ongoing updates to documentation throughout the production of the TANF federal reports using the current TANF reporting system.</li> <li>• The use of the formal change control procedures and change control logs in the replacement of the current reporting system.</li> </ul> <p style="text-align: right;">Page 576</p>



Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	035 (cont'd)	<p>The conditions noted in this finding were previously reported in findings 2019-030, 2018-028, 2017-020, and 2016-016.</p> <p>Completion Date: June 2021</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 4804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status																							
2020	036	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over its process to allocate administrative expenditures to federal grants.</p> <table border="0"> <thead> <tr> <th data-bbox="672 554 771 579"><u>CFDA #</u></th> <th data-bbox="1084 554 1175 579"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="672 583 748 609">93.558</td> <td data-bbox="1084 583 1117 609">\$0</td> </tr> <tr> <td data-bbox="672 613 748 638">93.575</td> <td></td> </tr> <tr> <td data-bbox="672 642 748 667">93.596</td> <td></td> </tr> <tr> <td data-bbox="672 672 889 697">93.596 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="672 701 748 726">93.658</td> <td></td> </tr> <tr> <td data-bbox="672 730 889 756">93.658 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="672 760 748 785">93.659</td> <td></td> </tr> <tr> <td data-bbox="672 789 906 814">93.775/93.777/93.778</td> <td></td> </tr> <tr> <td data-bbox="672 819 1049 844">93.775/93.777/93.778 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="672 848 748 873">93.870</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>The Department concurs with the finding.</p> <p>The Department continues to strengthen internal controls over processing changes to the cost allocation bases in the state accounting system, and has:</p> <ul style="list-style-type: none"> <li>• Implemented processes for additional approval authorities to ensure cost allocation base workbooks are adequately reviewed and approved by management.</li> <li>• Established a workflow for segregating duties to strengthen internal controls over processing cost allocation base workbooks.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2019-045.</p> <p>October 2020</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.558	\$0	93.575		93.596		93.596 - COVID-19		93.658		93.658 - COVID-19		93.659		93.775/93.777/93.778		93.775/93.777/93.778 - COVID-19		93.870	
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93.870																									

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2020	037	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payroll changes paid by the Child Care and Development Fund cluster were allowable and properly supported.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="672 583 764 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1096 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="672 615 748 642">93.575</td> <td data-bbox="1003 615 1138 642">\$11,207,984</td> </tr> <tr> <td data-bbox="672 646 748 674">93.596</td> <td></td> </tr> <tr> <td data-bbox="672 678 846 705">93.596_COVID</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: In response to the Covid-19 pandemic, the Washington State Governor issued directives to implement the Stay Home, Stay Healthy Order, hiring freezes, and staff furloughs. As a result, resources for the cost allocation and grants unit were prioritized to the most vital areas of managing the pandemic responses and funding-related tasks.</p> <p>The Department agrees that payroll certifications were not completed timely during the audit period, but maintains that the changes to the grant were allowable.</p> <p>As of June 2021, the Department completed fiscal year 2020 payroll certifications for January 2020 through June 2020.</p> <p>By September 2021, the Department will:</p> <ul style="list-style-type: none"> <li>• Research six employees not included on the payroll certifications and make corrections as applicable.</li> <li>• Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-036 and 2018-033.</p> <p>Completion Date: Estimated September 2021</p> <p>Agency Contact: Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$11,207,984	93.596		93.596_COVID	
<u>CFDA #</u>	<u>Amount</u>									
93.575	\$11,207,984									
93.596										
93.596_COVID										

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2020	038	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers for the Child Care and Development Fund Cluster programs were allowable and properly supported.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 583 1096 703"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.575</td> <td>\$7,736</td> </tr> <tr> <td>93.596</td> <td></td> </tr> <tr> <td>93.596 COVID-19</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the finding.</p> <p>The Department concurs that 39 out of the 40 payments identified as audit exceptions were partially or fully unallowable due to lack of adequate support, incorrect billing hours, missing signatures, and overtime and field trip fee billing rules. The Department will establish overpayments where appropriate and refer the overpayments to the Department’s Office of Financial Recovery for collection.</p> <p>The Department does not concur with the audit exception and questioned costs of \$1,250 related to a provider not having attendance records during a month covered by enrollment-based pay during the COVID-19 pandemic. During this time period, the Department passed emergency rules and updated the CCDF State Plan to allow provider billings based on enrollment without the requirement to submit attendance records to support the billings. These emergency rules covered the period from March 16, 2020 through August 31, 2020.</p> <p>In response to prior audit findings, the Department implemented an electronic attendance system that:</p> <ul style="list-style-type: none"> <li>• Enables accurate, real-time recording of child care attendance, tracking of daily attendance, and capturing data on child care usage.</li> <li>• Has the ability to support third party electronic attendance systems. The Department continues to add links to more third party systems and improve reporting capabilities.</li> <li>• Generates reports that allows the Department to conduct focused audits beginning in April 2019. New and enhanced reports will also be developed by October 2021.</li> </ul> <p>In addition, the Department has begun disqualifying providers convicted of fraud from receiving subsidy payments and subsidy benefits.</p> <p>The Department will:</p> <ul style="list-style-type: none"> <li>• Update training curriculum and require all licensed homes and family, friend and neighbor providers to complete training</li> </ul>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$7,736	93.596		93.596 COVID-19	
<u>CFDA #</u>	<u>Amount</u>									
93.575	\$7,736									
93.596										
93.596 COVID-19										

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	038 (cont'd)	<p>prior to the expiration of the 2021-2023 tentative agreement with the Service Employees International Union (SEIU).</p> <ul style="list-style-type: none"> <li>• Implement a system of monthly units for licensed family homes to simplify billing.</li> <li>• Verify provider rates and fees are accurate prior to changing authorizations, with a goal to develop an automated process for future rate change implementations.</li> <li>• Develop monitoring reports to verify:                             <ul style="list-style-type: none"> <li>○ Providers are using an approved electronic attendance system after three months of authorized payments. Providers not meeting the requirement will be excluded from receiving child care subsidy until they are in compliance.</li> <li>○ Providers are collecting all required attendance documentation in their electronic attendance system. The Department’s quality assurance staff will provide technical assistance to providers to resolve attendance record errors.</li> </ul> </li> </ul> <p>The Department continues to strengthen internal controls over payments to child care providers. The Department established program violation rules in WAC 110-15-0277, but its implementation was halted due to the demand to bargain with SEIU. Upon conclusion of the bargaining, the Department will:</p> <ul style="list-style-type: none"> <li>• Issue provider program violation notices.</li> <li>• Exclude providers who have four or more program violations from receiving child care subsidy.</li> </ul> <p>The Department consults with the U.S. Department of Health and Human Services on audit findings. The audit resolution process includes conducting a case-by-case review and providing additional documentation</p> <p>The conditions noted in this finding were previously reported in findings 2019-035, 2018-034, 2017-024, 2016-021, 2015-023, 2014-023, 2013-016, 12-28, 11-23, 10-31, 9-12, and 8-13.</p> <p>Completion Date: Estimated June 2022</p> <p>Agency Contact: Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status															
2020	039	<p data-bbox="483 422 1464 516">Finding: The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with client eligibility requirements for the Working Connections Child Care program.</p> <table data-bbox="483 548 1177 705"> <tr> <td data-bbox="483 548 613 575">Questioned</td> <td data-bbox="672 548 764 575"><u>CFDA #</u></td> <td data-bbox="1084 548 1177 575"><u>Amount</u></td> </tr> <tr> <td data-bbox="483 579 553 606">Costs:</td> <td data-bbox="672 579 748 606">93.558</td> <td data-bbox="1084 579 1161 606">\$7,513</td> </tr> <tr> <td></td> <td data-bbox="672 611 748 638">93.575</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 642 748 669">93.596</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 674 889 701">93.596 - COVID-19</td> <td></td> </tr> </table> <p data-bbox="483 741 980 768">Status: Corrective action in progress</p> <p data-bbox="483 804 1451 1024">Corrective Action: For the time period between the completion of fiscal year 2019 audit and the start of the fiscal year 2020 audit, Washington State was under a statewide lockdown in response to the COVID-19 pandemic. There were significant restrictions imposed, which required numerous emergency rules and subsequent policy and procedure changes to adjust to the impacts on clients and providers. The corrective actions outlined in prior year's corrective action plan were stalled.</p> <p data-bbox="672 1066 1425 1161">In response to the current finding, the Department will obtain the necessary documentation to establish overpayments where appropriate and refer to the Office of Financial Recovery for collection.</p> <p data-bbox="672 1203 1464 1230">The Department has continued to improve processes and internal controls:</p> <ul data-bbox="716 1241 1464 1959" style="list-style-type: none"> <li>• As of July 2020, the Department:             <ul style="list-style-type: none"> <li>○ Created an overpayment review panel that meets semi-monthly to review assigned overpayments. This panel will ensure correct rule application and identify areas of program vulnerability.</li> <li>○ Performed quality improvement reviews for procedural modifications related to household composition changes that were implemented late in the fiscal year to address prior year's audit finding.</li> </ul> </li> <li>• As of January 2021, the Department began conducting monthly audit calibration meetings with all lead workers and internal audit staff to ensure agency audit standards are consistently followed.</li> <li>• As of April 2021, the Department hired a Quality Assurance Administrator to facilitate program integrity efforts based on audit findings and program needs.</li> <li>• As of May 2021, the Department:             <ul style="list-style-type: none"> <li>○ Established a centralized audit team to conduct program audits following the requirements of the statewide single audit in accordance with the Uniform Guidance.</li> <li>○ Replaced the Audit 99 auditing system with an updated audit platform that includes a database for root cause analysis.</li> </ul> </li> </ul>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.558	\$7,513		93.575			93.596			93.596 - COVID-19	
Questioned	<u>CFDA #</u>	<u>Amount</u>															
Costs:	93.558	\$7,513															
	93.575																
	93.596																
	93.596 - COVID-19																

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	039 (cont'd)	<p style="text-align: center;">○ Verified that lead workers conduct coaching and auditing based on program needs to ensure consistency and compliance with program rules.</p> <p>In addition, the Department will:</p> <ul style="list-style-type: none"> <li>• Create and deliver staff training on using data systems and performing income calculations, specifically the Division of Child Supports (SEMS) system and Employment Security Division (ESD) systems.</li> <li>• Add language to the Consumer’s Rights and Responsibilities Form to include the fraud penalty notice and the fraud reporting hotline number.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-032, 2018-030, 2017-026, 2016-023, 2015-026, 2014-026, 2013-017 and 2012-30.</p> <p>Completion Date: Estimated October 2021</p> <p>Agency Contact: Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2020	040	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over matching, level of effort and earmarking requirements and did not comply with matching requirements for the Child Care and Development Fund Cluster programs.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.575</td> <td style="text-align: right;">\$6,595,589</td> </tr> <tr> <td style="text-align: right;">93.596</td> <td></td> </tr> <tr> <td style="text-align: right;">93.596 – COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Department concurs with the finding.</p> <p>It should be noted that the Department was created as a new agency as of July 2018 and this audit was conducted in the second year of operations during a transitional period. There were also additional challenges during the COVID-19 pandemic under the Governor’s mandatory stay-home executive order.</p> <p>As of July 2019, the Department began processing and recording state expenditures used to meet matching requirements for the grant. The exceptions identified in the audit were related to the federal fiscal year 2019 award which was still open. The Department has been reconciling the grant to ensure all matching, level of effort and earmarking requirements are met prior to the end of the grant period.</p> <p>In response to the audit recommendations, the Department is working on strengthening internal controls to ensure program expenditures reported by the Department of Social and Health Services are properly supported. The Department will also develop written procedures to document the matching, level of effort, and earmarking processes.</p> <p>If the grantor contacts the Department regarding questioned costs that should be repaid, the Department will confirm these costs with the grantor and will take appropriate action.</p> <p>Estimated October 2021</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$6,595,589	93.596		93.596 – COVID-19	
<u>CFDA #</u>	<u>Amount</u>										
93.575	\$6,595,589										
93.596											
93.596 – COVID-19											



Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2020	041	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over period of performance requirements for the Child Care and Development Fund Cluster programs.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.575</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">93.596</td> <td></td> </tr> <tr> <td style="text-align: right;">93.596 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Department partially concurs with the finding.</p> <p>The expenditures that were found obligated after the grant’s period of performance resulted from incorrect coding and were not spent at the time. No federal funds were drawn from those expenditures and the Department was working on transferring the costs to other funding sources.</p> <p>It should be noted that the Department was created as a new agency as of July 2018 and this audit was conducted during the second year of operations. There were also additional challenges during the COVID-19 pandemic under the Governor’s mandatory stay-home executive order.</p> <p>The Department continues to work on documenting and refining internal controls, processes, and procedures. To address the auditors’ recommendations, the Department will develop written procedures to ensure expenditures are obligated only during the grant’s allowed period of performance.</p> <p>Estimated October 2021</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$0	93.596		93.596 COVID-19	
<u>CFDA #</u>	<u>Amount</u>										
93.575	\$0										
93.596											
93.596 COVID-19											

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2020	042	<p>Finding: The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with health and safety requirements for the Child Care and Development Fund Program.</p> <p>Questioned Costs: <table border="0" style="display: inline-table; vertical-align: top;"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.575</td> <td style="text-align: right;">\$8,760</td> </tr> <tr> <td>93.596</td> <td></td> </tr> <tr> <td>93.596 - COVID-19</td> <td></td> </tr> </table></p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is strongly committed to ensuring the health, safety, and well-being of all children in care, and is continuing to work on improving internal controls and processes. The Department:</p> <ul style="list-style-type: none"> <li>• Established and implemented policies, procedures, and training on the new licensing standards for employees.</li> <li>• Communicated with supervisors and staff regarding required documentation for non-compliance follow-up.</li> <li>• As of March 2020, discontinued the practice of backdating payments after confirmation of a cleared background or fingerprint check.</li> </ul> <p>The Department will:</p> <ul style="list-style-type: none"> <li>• Continue to implement system changes and enhancements to assist with reporting on monitoring visits, background checks, and providers' applicable annual training requirements.</li> <li>• Consult with the grantor on accepting email confirmation in lieu of signature on the health and safety agreement for Family, Friends &amp; Neighbors providers.</li> <li>• Consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-039, 2018-035, 2017-025, 2016-022 and 2015-024.</p> <p>Completion Date: Estimated December 2022</p> <p>Agency Contact: Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$8,760	93.596		93.596 - COVID-19	
<u>CFDA #</u>	<u>Amount</u>									
93.575	\$8,760									
93.596										
93.596 - COVID-19										

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2020	043	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Social and Health Services did not have adequate internal controls over assessing the level of potential fraud risk for the Child Care and Development Fund program.</p> <table border="0"> <tr> <td><u>CFDA #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>93.575</td> <td>\$0</td> </tr> <tr> <td>93.596</td> <td></td> </tr> <tr> <td>93.596 - COVID-19</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Department partially concurs with the finding.</p> <p>All fraud referrals, with the exception of vendor referrals, are processed through the Barcode system. In July 2019, the Department discovered an anomaly in the intake process for phone calls to the fraud hotline, specifically:</p> <ul style="list-style-type: none"> <li>• Each phone call to the fraud hotline was entered into the Fraud Case Management System (FCMS) first and was given a prioritization number by the intake worker who received the call.</li> <li>• The referral was then sent through the Barcode scoring algorithm which assigned a second prioritization number. However, this second number did not overwrite the existing FCMS score.</li> <li>• This resulted in two different priority numbers for hotline calls between FCMS and Barcode, but the Barcode prioritization number was not accessible to all Department staff.</li> </ul> <p>Upon discovery of the technical issue, the Department researched and monitored the process, and subsequently instituted corrective measures in October 2019. Since then,</p> <ul style="list-style-type: none"> <li>• All fraud referrals by phones are entered into Barcode first to ensure proper prioritization. These prioritizations are then interfaced into FCMS.</li> <li>• No high-priority referrals were aged out.</li> </ul> <p>The Department's Office of Fraud and Accountability is building a new case management system, which will address and correct the system anomaly concerning the fraud case intake process by phone. The Department anticipates the new system will be completed by December 2021.</p> <p>December 2021</p> <p>Rick Meyer                      External Audit Compliance Manager                      PO Box 4804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$0	93.596		93.596 - COVID-19	
<u>CFDA #</u>	<u>Amount</u>										
93.575	\$0										
93.596											
93.596 - COVID-19											

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status													
2020	044	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department did not have adequate internal controls over some Public Assistance Cost Allocation Plan requirements.</p> <table border="0"> <thead> <tr> <th data-bbox="673 520 764 548"><u>CFDA #</u></th> <th data-bbox="1003 520 1094 548"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 552 748 579">93.658</td> <td data-bbox="1003 552 1032 579">\$0</td> </tr> <tr> <td data-bbox="673 583 873 611">93.658 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="673 615 748 642">93.659</td> <td></td> </tr> <tr> <td data-bbox="673 646 748 674">93.778</td> <td></td> </tr> <tr> <td data-bbox="673 678 873 705">93.778 COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action not taken</p> <p>The Department does not concur with the finding.</p> <p>As stated in the prior year’s audit response, the Department has processes and procedures in place for the monthly employee reconciliation of the Random Moment Time Study (RMTS) sampling universe. The headquarters’ cost allocation team follows procedures to create and communicate monthly employee reports to the RMTS Coordinators.</p> <p>The Department maintains that it complies with the federally approved Public Assistance Cost Allocation Plan (PACAP). The Department has also taken additional actions to address system limitations caused by high turnover rates of staff within the cost pools. There is no known deficiency with the integrity of the RMTS, nor are unallowable costs allocated to federal programs.</p> <p>The Department will continue to maintain internal controls over the monthly update process to ensure the RMTS sampling populations are complete. The Department will also work with the federal partners to ensure continued compliance with the PACAP.</p> <p>The conditions noted in this finding were previously reported in finding 2019-044.</p> <p>Not applicable</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.658	\$0	93.658 COVID-19		93.659		93.778		93.778 COVID-19	
<u>CFDA #</u>	<u>Amount</u>														
93.658	\$0														
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93.659															
93.778															
93.778 COVID-19															

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	045	Finding:  Questioned Costs:  Status:  Corrective Action:  Completion Date:  Agency Contact:	The Department of Children, Youth, and Families did not have adequate internal controls over its process to allocate the Adoption Assistance program expenditures to federal grants.  <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.659</td> <td style="text-align: right;">\$0</td> </tr> </table> Corrective action in progress  The Department concurs with the finding.  In response to the audit recommendations, the Department: <ul style="list-style-type: none"> <li>• Implemented processes for additional approval authorities to ensure cost allocation edit forms are reviewed and approved by management.</li> <li>• Established a workflow for segregating duties to strengthen internal controls over processing cost allocation edit forms.</li> </ul> In progress  Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a>	<u>CFDA #</u>	<u>Amount</u>	93.659	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.659	\$0						

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	046	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with federal requirements to ensure providers of the Medicaid and Children’s Health Insurance Programs were properly screened, licensed, and enrolled.</p> <p>Questioned Costs: <u>CFDA #</u> <u>Amount</u>                      93.775 \$0                      93.777                      93.777 - COVID-19                      93.778                      93.778 - COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: In response to prior years’ audit findings, the Authority has made progress toward revalidation compliance.</p> <p>Due to the COVID-19 pandemic, the Centers for Medicare and Medicaid Services issued emergency declaration blanket waivers in March 2020 through the end of the emergency declaration. These waivers provided the Authority some flexibilities including fingerprint-based criminal background checks and site visits. It also allowed for the expedited processing of any pending and new provider applications, and the postponement of all revalidation actions.</p> <p>As noted in the audit, the Authority had complied with most of the provider revalidation requirements for the majority of the audit period. The Authority will continue to work on:</p> <ul style="list-style-type: none"> <li>• Establishing adequate internal controls to ensure required database checks with the Excluded Parties List System are completed at least monthly.</li> <li>• Ensuring each provider’s screening risk level is properly adjusted.</li> <li>• Implementing a process to conduct fingerprint-based criminal background checks for high risk providers.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-048, 2018-042, 2017-033, and 2016–035. The auditors considered 2016-035 to be resolved.</p> <p>Completion Date: Estimated October 2021</p> <p>Agency Contact: Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status																		
2020	047	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure Medicaid Service Verifications were performed for eligible nursing home claims or that reports of potential fraud obtained through the Medicaid service verification process were investigated.</p> <table border="0"> <tr> <td data-bbox="483 617 610 646">Questioned</td> <td data-bbox="672 617 768 646"><u>CFDA #</u></td> <td data-bbox="1003 617 1094 646"><u>Amount</u></td> </tr> <tr> <td data-bbox="483 646 553 676">Costs:</td> <td data-bbox="672 646 748 676">93.775</td> <td data-bbox="1003 646 1032 676">\$0</td> </tr> <tr> <td></td> <td data-bbox="672 676 748 705">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 705 878 735">93.777-COVID-19</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 735 748 764">93.778</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 764 878 793">93.778-COVID-19</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: In March 2021, the Authority implemented the required system enhancement to include nursing home claims in the service verification process. Systems staff subsequently verified that the claim sample selection for April 2021 did include nursing home claims.</p> <p>In addition, the Authority has developed, and is in the process of, finalizing policies and procedures for conducting preliminary investigations when allegations of Medicaid fraud or abuse are received.</p> <p>The conditions noted in this finding were previously reported in finding 2019-052. These conditions were also reported in fiscal years 2018 and 2017, which the auditors considered resolved during the 2019 audit.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.775	\$0		93.777			93.777-COVID-19			93.778			93.778-COVID-19	
Questioned	<u>CFDA #</u>	<u>Amount</u>																		
Costs:	93.775	\$0																		
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	93.778																			
	93.778-COVID-19																			

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status													
2020	048	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority, Division of Program Integrity, did not establish adequate internal controls over and did not comply with requirements to identify and refer suspected fraud cases for investigation.</p> <table border="0"> <thead> <tr> <th data-bbox="673 552 764 579"><u>CFDA #</u></th> <th data-bbox="1003 552 1094 579"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 579 764 611">93.775</td> <td data-bbox="1003 579 1094 611">\$0</td> </tr> <tr> <td data-bbox="673 611 764 642">93.777</td> <td></td> </tr> <tr> <td data-bbox="673 642 764 674">93.777 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="673 674 764 705">93.778</td> <td></td> </tr> <tr> <td data-bbox="673 705 764 737">93.778 - COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>The Authority has developed and is currently finalizing the policies and procedures for the Audit and Investigations Unit.</p> <p>The Authority will improve internal controls over identifying and referring suspected fraud cases for investigation, which include:</p> <ul style="list-style-type: none"> <li>• Performing and documenting audits in accordance with division policies and procedures.</li> <li>• Ensuring secondary reviews are conducted for audits to ensure accuracy and completeness.</li> <li>• Ensuring staff conducting fraud reviews has required qualifications.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-053 and 2018-047.</p> <p>Estimated December 2021</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$0	93.777		93.777 - COVID-19		93.778		93.778 - COVID-19	
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93.775	\$0														
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93.778															
93.778 - COVID-19															



State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status																		
2020	049	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it performed periodic audits of cost report data for rate setting, hospital billings and other financial and statistical records for inpatient hospital services.</p> <table border="0"> <tr> <td data-bbox="483 590 610 617">Questioned</td> <td data-bbox="672 590 764 617"><u>CFDA #</u></td> <td data-bbox="1003 590 1094 617"><u>Amount</u></td> </tr> <tr> <td data-bbox="483 621 553 648">Costs:</td> <td data-bbox="672 621 748 648">93.775</td> <td data-bbox="1003 621 1032 648">\$0</td> </tr> <tr> <td></td> <td data-bbox="672 653 748 680">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 684 889 711">93.777 - COVID-19</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 716 748 743">93.778</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 747 889 774">93.778 - COVID-19</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority will take the following actions to ensure compliance with federal requirements around periodic audits of financial and statistical records used in the rate-setting process for inpatient hospitals:</p> <ul style="list-style-type: none"> <li>• Establish and define the audit activities that will be performed by the Authority.</li> <li>• Determine if changes to the Medicaid State Plan are needed to better reflect the required audit activities.</li> </ul> <p>The Authority performs annual cost settlements using hospital cost reports which are subject to desk reviews and audits by the Center for Medicare and Medicaid Services and its Medicare administrative contractors. The Authority will consult with the grantor about audit expectations to prevent duplicate audit activities and inefficient use of resources.</p> <p>Completion Date: Estimated December 2021</p> <p>Agency Contact: Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.775	\$0		93.777			93.777 - COVID-19			93.778			93.778 - COVID-19	
Questioned	<u>CFDA #</u>	<u>Amount</u>																		
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	93.778 - COVID-19																			

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status													
2020	050	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with requirements to report Medicaid Fraud Control Division overpayment recoveries on the CMS-64 report.</p> <table border="0"> <thead> <tr> <th data-bbox="670 552 768 579"><u>CFDA #</u></th> <th data-bbox="1003 552 1094 579"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="670 583 748 611">93.775</td> <td data-bbox="1003 583 1094 611">\$78,028</td> </tr> <tr> <td data-bbox="670 615 748 642">93.777</td> <td></td> </tr> <tr> <td data-bbox="670 646 889 674">93.777 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="670 678 748 705">93.778</td> <td></td> </tr> <tr> <td data-bbox="670 709 889 737">93.778 - COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>The Authority concurs with the finding.</p> <p>During the period when staff were transitioning to new positions and receiving training on their new responsibilities, the process of reporting the Medicaid Fraud Control Division (MFC) overpayment recoveries on the CMS-64 report was inadvertently missed.</p> <p>Prior to the conclusion of the audit, the Authority processed a journal voucher to report the missed overpayment recoveries. The amount will be included on the federal report in the quarter ending March 2021, so the questioned costs reported in the finding will be resolved.</p> <p>To improve internal controls over this process, the Authority has developed a staff checklist that includes the MFC recovery reporting process.</p> <p>Estimated December 2021</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$78,028	93.777		93.777 - COVID-19		93.778		93.778 - COVID-19	
<u>CFDA #</u>	<u>Amount</u>														
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2020	051	<p>Finding: The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid payments to supported living providers were allowable and adequately supported.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="672 583 764 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1096 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="672 615 748 642">93.775</td> <td data-bbox="1003 615 1149 642">\$284,918,428</td> </tr> <tr> <td data-bbox="672 646 748 674">93.777</td> <td></td> </tr> <tr> <td data-bbox="672 678 889 705">93.777 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="672 709 748 737">93.778</td> <td></td> </tr> <tr> <td data-bbox="672 741 889 768">93.778 - COVID-19</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>The Department does not agree with the finding conditions as described and maintains that there are adequate internal controls in place to ensure Medicaid payments to supported living providers were allowable and adequately supported. The State Auditor’s Office has questioned virtually all of the Department’s reimbursements for instruction and support services to supported living clients. This conclusion would suggest the auditors did not believe that any of the services occurred, which is implausible and completely inaccurate.</p> <p>Supported living provider services are reimbursed using a per diem rate. Clients’ needs vary by day, and this payment methodology allows providers to meet these changing needs by not carrying the expectation that a set number of hours will be provided to clients each day. The purpose of this reimbursement methodology is to allow service providers flexibility in the provision of services that best meets the clients’ complex needs. This methodology was approved by the Center for Medicare and Medicaid Services (CMS).</p> <p>The auditors’ requirement of hourly documentation of services for each client to justify services provided is not appropriate. It appears the auditors’ evaluation of the Department’s oversight and monitoring of supported living services was not reasonable nor aligned to the business model, and led to the determination that most of the fiscal year 2020 supported services reimbursements were not justified.</p> <p>The Department has a number of significant oversight and monitoring strategies that have been detailed and outlined in the response to the finding. It is particularly worth noting that:</p> <ul style="list-style-type: none"> <li>In July 2019, a formalized and more holistic quality assurance (QA) oversight process was developed and implemented. This new QA oversight approach was adopted with the transition from the legacy service-hour-driven rate system to the person-centered-assessment-driven tiered rate system, and includes routine reviews to ensure supports listed in clients’ person-centered service plans align with the supports provided.</li> </ul>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$284,918,428	93.777		93.777 - COVID-19		93.778		93.778 - COVID-19	
<u>CFDA #</u>	<u>Amount</u>													
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	051 (cont'd)	<ul style="list-style-type: none"> <li>• Additional contract monitoring efforts were implemented to evaluate providers' performance to ensure compliance with contract terms and conditions. Resource managers' contract monitoring activities are documented in the Residential Agency Tracking Database.</li> </ul> <p>It should be noted that in the latter part of fiscal year 2020 (January to June 2020), the Department allowed providers various flexibilities due to the declared emergency in response to the COVID-19 pandemic. The auditors did not take into consideration the flexibilities that the Department approved under its authority. For instance, the auditors stated that cost reports were not submitted or reviewed in a timely manner when, in fact, the Department had allowed additional time for cost report submission and review.</p> <p>The Department acknowledges that there are areas where the oversight and monitoring strategies could be bolstered and improved. By December 2021, the Department will:</p> <ul style="list-style-type: none"> <li>• Continue to utilize numerous oversight and monitoring strategies consistent with the assurances in the waiver application.</li> <li>• Resume its pre-pandemic cost report oversight and monitoring processes, unless otherwise directed by CMS.</li> <li>• Review and amend its cost report instructions.</li> <li>• Update policy to clarify that bonuses and overtime are a part of wages.</li> <li>• Consider whether available resources are sufficient to increase the number of providers included in the cost report audit.</li> <li>• Determine whether to increase the percentage of clients included in the quality assurance reviews.</li> <li>• Strengthen the quality assurance process to ensure necessary follow-up activities occur, including the referral of overpayment concerns to the appropriate team for further actions.</li> <li>• Communicate with the grantor and convey the Department's position that the per diem reimbursements made during the audit period were justified.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-054, 2018-058, 2017-044, 2016-041, 2016-045, 2015-049, 2015-052, 2014-041, 2014-042, 2013-036, 2013-038, and 12-39. The auditors determined findings 2016-041, 2015-052, 2014-041, and 2013-038 were resolved in fiscal year 2018.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status													
2020	052	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to ensure providers of the Medicaid program were properly screened, licensed, and enrolled.</p> <table border="0" data-bbox="667 577 1096 766"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.775</td> <td>\$0</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.777 - COVID-19</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 - COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>The Department partially concurs with the finding.</p> <p>In response to prior years’ audit findings, the Department developed a process to screen and track each nursing facility contract to ensure validation and revalidation occurs within the five-year requirement, and had subsequently completed all nursing facility screenings. However, the Department was not aware that federal database checks include the National Plan and Provider Enumeration System for those nursing facilities contracted on or before March 25, 2001, which were required to be conducted at least every five years by September 2016. The Department became aware of this requirement in 2018 and had completed the required nursing facility validations by October 2018. The Department is aware that this subset of revalidations was not completed timely and that the finding will likely remain unresolved through September 2021 or until these facilities are revalidated at the end of the subsequent five-year period.</p> <p>The Department also implemented additional internal controls to ensure Medicaid providers are properly screened, licensed, and enrolled. The Department will continue to maintain the controls currently in place for the provider revalidation process and will codify them into formal policies and procedures to ensure continued federal compliance, including:</p> <ul style="list-style-type: none"> <li>• The monthly database check with the System for Awards Management and the appropriate actions taken when necessary. This process has been ongoing since 2014.</li> <li>• The entire process for the termination of provider applications or revalidations that are found to be ineligible.</li> </ul> <p>As of November 2020, the Department developed a high-risk provider tracking process. By September 2021, a workgroup will be established to develop policies and procedures for completing fingerprint-based criminal background checks for the high-risk providers.</p> <p>By November 2021, the Department will convene a fingerprint-based</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$0	93.777		93.777 - COVID-19		93.778		93.778 - COVID-19	
<u>CFDA #</u>	<u>Amount</u>														
93.775	\$0														
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93.778 - COVID-19															

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	052 (cont'd)	<p>criminal background check stakeholder workgroup to provide an overview of rules and requirements, with a goal to formally adopt policies and procedures by April 2022.</p> <p>By July 2022, a training plan for the fingerprint-based criminal background checks will be established for providers and staff.</p> <p>The conditions noted in this finding were previously reported in findings 2019-062 and 2018-057.</p> <p>Completion Date: July 2022</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status													
2020	053	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over and did not comply with federal requirements for completing recertification surveys in a timely manner.</p> <table border="0"> <thead> <tr> <th data-bbox="673 583 764 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1094 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 615 748 642">93.775</td> <td data-bbox="1003 615 1029 642">\$0</td> </tr> <tr> <td data-bbox="673 646 748 674">93.777</td> <td></td> </tr> <tr> <td data-bbox="673 678 889 705">93.777 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="673 709 748 737">93.778</td> <td></td> </tr> <tr> <td data-bbox="673 741 889 768">93.778 - COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>The Department concurs with the audit finding and has taken corrective actions to strengthen internal controls over the completion of recertification surveys.</p> <p>As of April 2021, the Department modified the process used in calculating survey intervals to ensure it accurately calculates the statewide average survey frequency based on the federal fiscal year end.</p> <p>By July 2021, the field manager and administrative staff will begin conducting quarterly meetings to review the survey interval tracking spreadsheet to ensure information entered is accurate and the Plan of Correction timelines are met.</p> <p>The conditions noted in this finding were previously reported in findings 2019-061, 2018-052, 2017-042, 2016-037, 2015-045, and 2014-046.</p> <p>Estimated July 2021</p> <p>Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$0	93.777		93.777 - COVID-19		93.778		93.778 - COVID-19	
<u>CFDA #</u>	<u>Amount</u>														
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2020	054	<p>Finding: The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls to ensure it complied with federal requirements for completing nursing home recertification surveys in a timely manner.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="672 583 764 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1096 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="672 615 748 642">93.775</td> <td data-bbox="1003 615 1031 642">\$0</td> </tr> <tr> <td data-bbox="672 646 748 674">93.777</td> <td></td> </tr> <tr> <td data-bbox="672 678 889 705">93.777 - COVID-19</td> <td></td> </tr> <tr> <td data-bbox="672 709 748 737">93.778</td> <td></td> </tr> <tr> <td data-bbox="672 741 889 768">93.778 - COVID-19</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>The Department has established internal controls and monitoring practices in place for completing nursing home recertification surveys, which resulted in compliance with federal survey interval requirements for years. This audit has helped to bring to the attention that these processes have not been adequately documented.</p> <p>By September 2021, each region and field office unit will establish master survey schedules. The Regional Administrators and Office Chief have been directed to monitor these scheduled surveys on a monthly basis to meet the statewide federally required averages by the end of the federal fiscal year.</p> <p>By October 2021, the Department will develop policies and procedures documenting the survey monitoring and oversight responsibilities.</p> <p>Completion Date: Estimated October 2021</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$0	93.777		93.777 - COVID-19		93.778		93.778 - COVID-19	
<u>CFDA #</u>	<u>Amount</u>													
93.775	\$0													
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93.777 - COVID-19														
93.778														
93.778 - COVID-19														



Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	055	<p>Finding: The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure it responded promptly to complaints for Medicaid hospitals.</p> <p>Questioned Costs: <u>CFDA #</u> <u>Amount</u>                      93.775 \$0                      93.777                      93.777 - COVID-19                      93.778                      93.778 - COVID-19</p> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department concurs with the finding.                       The Department is committed to ensuring grant programs comply with state and federal regulations related to assessment of and response to hospital complaints. Program staff hold weekly meetings with the Centers for Medicare and Medicaid Services to discuss complaint cases that are in process.                       To address the audit recommendations, the Department hired additional staff to assist with the complaint intake process for the entire division. The Department updated protocols to ensure hospital complaints are handled promptly and meet federal requirements.                       The conditions noted in this finding were previously reported in finding 2019-046.</p> <p>Completion Date: April 2021</p> <p>Agency Contact: Kristina White                      External Audit Manager                      PO Box 47890                      Olympia, WA 98504-7890                      (360) 236-4547  <a href="mailto:Kristina.White@doh.wa.gov">Kristina.White@doh.wa.gov</a></p>

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	056	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority improperly charged \$20,000 for payments made to providers under the Opioid State Targeted Response program.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.788</td> <td style="text-align: right;">\$20,000</td> </tr> </table> <p>Corrective action complete</p> <p>The Authority has procedures in place to ensure provider payments are proper.</p> <p>The audit found a provider payment was made that exceeded the amount allowed under contract terms. Fiscal staff had originally identified the over-billing and requested a corrected invoice, but inadvertently processed the payment against the original invoice resulting in an overpayment.</p> <p>The Authority is working with the provider on repayment and will consult the grantor regarding resolution of the questioned costs.</p> <p>December 2021</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-5986  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.788	\$20,000
<u>CFDA #</u>	<u>Amount</u>						
93.788	\$20,000						

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	057	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Opioid State Targeted Response program received required risk assessments.</p> <table border="0"> <tr> <td data-bbox="673 583 812 613"><u>CFDA #</u></td> <td data-bbox="1003 583 1096 613"><u>Amount</u></td> </tr> <tr> <td data-bbox="673 613 812 642">93.788</td> <td data-bbox="1003 613 1096 642">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>Since the Authority assumed responsibilities over the grant program in fiscal year 2019, a multi-divisional subrecipient monitoring workgroup was established to develop internal controls and monitoring procedures for subrecipients.</p> <p>Prior to conclusion of the audit, the workgroup had developed and approved an effective subrecipient risk assessment process. The Authority is currently scheduling staff training to ensure a consistent process is followed across the agency. Once staff training is complete, the risk assessment process will be fully implemented.</p> <p>The conditions noted in this finding were previously reported in finding 2019-066.</p> <p>Estimated December 2021</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.788	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.788	\$0						

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	058	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families improperly charged \$135,685 for salaries and benefits to the Maternal, Infant, and Early Childhood Home Visiting grant.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.870</td> <td style="text-align: right;">\$135,685</td> </tr> </table> <p>Corrective action complete</p> <p>In response to the Covid-19 pandemic, the Washington State Governor issued directives to implement the Stay Home, Stay Healthy Order, hiring freezes, and staff furloughs. As a result, resources for the cost allocation and grants unit were prioritized to the most vital areas of managing the pandemic responses and funding-related tasks.</p> <p>The Department has established processes in place for program staff to review direct charges monthly. The Department agrees that payroll certifications for two employees were not completed timely during the audit period, but maintains that the changes to the grant were allowable.</p> <p>In response to the audit recommendations, the Department:</p> <ul style="list-style-type: none"> <li>• Completed a journal voucher to correct the misapplied payroll charges of \$3,508.</li> <li>• Completed payroll certifications for January 2020 through June 2020.</li> <li>• Responded to the grantor’s request for documentation of completion of corrective action plan.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2019-067 which the auditors determined to be resolved.</p> <p>June 2021</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.870	\$135,685
<u>CFDA #</u>	<u>Amount</u>						
93.870	\$135,685						

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	059	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls to ensure payments made under the Block Grants for Prevention and Treatment of Substance Abuse program were allowable and met period-of-performance requirements.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.959</td> <td style="text-align: right;">\$431,797</td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority will transfer expenditures charged to the grant prior to the period of performance back to general state funds. Expenditures that were charged after the period of performance will be moved to the appropriate grant period.</p> <p>The Authority will also improve internal controls for payments made under the Block Grant programs to ensure:</p> <ul style="list-style-type: none"> <li>• Account coding is correctly applied to payments for the correct grant period.</li> <li>• Payments are made only for allowable activities and within the appropriate period of performance.</li> <li>• Accounting adjustments are reviewed and approved, assuring program and period of performance requirements are met.</li> </ul> <p>The Authority will work with the grantor on resolution of the questioned costs.</p> <p>Estimated October 2021</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$431,797
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$431,797						

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	060	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with cash management requirements for the Block Grants for Prevention and Treatment of Substance Abuse.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.959</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>The Authority has established controls in place over cash management requirements. The auditors identified that some drawdowns not occurring as required were due to a vacant staff position and the priority to complete accounting adjustments for the grant.</p> <p>It should also be noted that in most cases, the decision not to do drawdowns was a result of monitoring the award and identifying pending adjustments that could have led to negative expenditures.</p> <p>The Authority will:</p> <ul style="list-style-type: none"> <li>• Work to improve documentation around drawdown decisions to ensure compliance with federal requirements including the Cash Management Improvement Act.</li> <li>• Contact the Office of Financial Management regarding the possibility of revising pertinent section on the 2022 State Treasury Agreement that would allow the Authority to address the unique situations when drawdowns are not necessary.</li> </ul> <p>October 2021</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$0						

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	061	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with federal level-of-effort requirements for the Block Grants for Prevention and Treatment of Substance Abuse program.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.959</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>To help states manage the financial impact of the Coronavirus pandemic, the federal government enhanced the federal participation rates for some programs, including the block grant program. This resulted in reduced state matching requirements.</p> <p>The Authority is requesting a waiver from the Substance Abuse and Mental Health Services Administration to reduce the level-of-effort requirements.</p> <p>In addition, the Authority will improve internal controls over the monitoring of level-of-effort requirements to include:</p> <ul style="list-style-type: none"> <li>• Ensuring accurate report criteria are used to monitor spending levels.</li> <li>• Ensuring staff follow the policies and procedures for state-funded transfers to ensure state spending thresholds are met.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2019-069.</p> <p>October 2021</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$0						

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status
2020	062	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with the reporting requirements for the Substance Abuse Prevention and Treatment Block Grant.</p> <p>Questioned Costs: <u>CFDA #</u> 93.959 <u>Amount</u> \$0</p> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Authority does not concur with the finding.</p> <p>The expenditure amounts reported on the SF-425 federal financial reports for the Substance Abuse Prevention and Treatment Block Grant are allowable and supported by accounting records.</p> <p>The large and complex nature of block grants require diligent management to ensure accurate and appropriate spending and reporting. The period of performance often overlaps for consecutive grant years, and the two-year window for payments under the grant further complicates the grant closeout process. It is not unusual to take months to balance and reconcile expenditures at closeout.</p> <p>The Authority is aware of the need to comply with cost allowability and period of performance. It is for this reason that staff spend considerable time on review, research, and adjustments to ensure that expenditures are charged to the appropriate award based on month of service, and that reporting is accurate. Adjustments of expenditures after the report date and above the grant award amount were normal adjustments resulting from the review and research, and were not claimed for federal reimbursement under the grant.</p> <p>The December 2019 SF-425 report reflected the full 2018 grant expenditures that were allowable and within the grant performance period; therefore, no corrective action is needed.</p> <p>The Authority will consult with the grantor on the process for making adjustments after a grant award is closed when those adjustments do not affect the federal amount claimed.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.summerour@hca.wa.gov">Kari.summerour@hca.wa.gov</a></p>



State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	063	Finding:  Questioned Costs:  Status:  Corrective Action:          Completion Date:  Agency Contact:	The Health Care Authority did not have adequate internal controls over and did not comply with federal requirements to ensure subawards of Block Grants for Prevention and Treatment of Substance Abuse contained all required information.  <table border="0" data-bbox="673 583 1096 646"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.959</td> <td style="text-align: right;">\$0</td> </tr> </table> Corrective action complete  The Authority concurs with the finding.  The Authority's contracts department has begun working on amendments to include all required subaward information on current contracts. The Authority continues to work on improving internal controls and establishing policies and procedures to ensure: <ul style="list-style-type: none"> <li>• Subrecipients are accurately classified during the contract review and approval process.</li> <li>• All required information is included when subawards are issued and communicated to the subrecipient.</li> </ul> The conditions noted in this finding were previously reported in finding 2019-070.  December 2021  Kari Summerour, CPA External Audit Liaison PO Box 45502 Olympia, WA 98504-5502 (360) 725-9586 <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$0						

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	064	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Block Grants for Prevention and Treatment of Substance Abuse program received required risk assessments.</p> <table border="0"> <tr> <td data-bbox="670 583 764 611"><u>CFDA #</u></td> <td data-bbox="1003 583 1094 611"><u>Amount</u></td> </tr> <tr> <td data-bbox="670 615 748 642">93.959</td> <td data-bbox="1003 615 1029 642">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>Since the Authority assumed responsibilities over the grant program in fiscal year 2019, a multi-divisional subrecipient monitoring workgroup was established to develop internal controls and monitoring procedures for subrecipients.</p> <p>Prior to conclusion of the audit, the workgroup had developed and approved an effective subrecipient risk assessment process. The Authority is currently scheduling staff training to ensure a consistent process is followed across the agency. Once staff training is complete, the risk assessment process will be fully implemented.</p> <p>Estimated December 2021</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.summerour@hca.wa.gov">Kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$0						

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2020	065	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with federal subrecipient monitoring requirements for the Block Grants for Prevention and Treatment of Substance Abuse program.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.959</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority has already taken the following steps to address the audit recommendations:</p> <ul style="list-style-type: none"> <li>• Established a multi-divisional subrecipient monitoring workgroup to develop internal controls and monitoring procedures for subrecipients.</li> <li>• Developed and is finalizing a consistent and uniform process across all units to track and monitor desk and site visits for subrecipients.</li> </ul> <p>In addition, the Authority’s Office of Tribal Affairs undertook a formal consultation process with the Indian Nation representatives with the following results:</p> <ul style="list-style-type: none"> <li>• Established protocols to complete monitoring activities with each Indian Nation on a biennial basis.</li> <li>• Obtained consent from each Indian Nation in March 2021 for the monitoring tools developed.</li> <li>• Sent formal monitoring requests to each Indian Nation in April 2021.</li> <li>• Scheduled desk monitoring to begin in May 2021.</li> </ul> <p>Estimated December 2021</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502 (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$0						

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2019	018	<p>Finding: The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to collect certified payrolls from contractors on projects funded by the Highway Planning and Construction Cluster.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="673 583 771 615"><u>CFDA #</u></th> <th data-bbox="1003 583 1101 615"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 615 771 646">20.205</td> <td data-bbox="1003 615 1101 646">\$0</td> </tr> <tr> <td data-bbox="673 646 771 678">20.219</td> <td></td> </tr> <tr> <td data-bbox="673 678 771 709">20.224</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>After consulting with the Federal Highway Administration (FHWA) and conducting additional research, the Department maintains that the current process complies with the Davis-Bacon Act and federal regulations for contractor payment of prevailing wages.</p> <p>In April 2019, the Department received a management decision letter from FHWA for the fiscal year 2018 finding, in which it stated:</p> <ul style="list-style-type: none"> <li>• <i>FHWA approved the Department's Construction Manual and Standard Specifications and confirmed that documented procedures contain the necessary controls to ensure reasonable compliance with 29 CFR 5.5 and the Davis-Bacon and Related Acts.</i></li> <li>• <i>FHWA agreed that current processes in place are reasonable and satisfy the intent of the Department of Labor's certified payroll requirements.</i></li> </ul> <p>In July 2020, the Department received a management decision letter from FHWA for the fiscal year 2019 finding, in which it stated:</p> <ul style="list-style-type: none"> <li>• <i>In response to these findings and similar findings in the previous year, WSDOT released a construction bulletin and revised their Construction Manual and Specification with more stringent controls to facilitate reasonable compliance. FHWA has approved WSDOT's Construction Manual and Standard Specifications.</i></li> <li>• <i>FHWA believes that WSDOT's procedures contain the necessary controls to ensure reasonable compliance with 29 CFR 5.5 and FHWA Davis-Bacon and Related Acts Questions and Answers (<a href="https://www.fhwa.dot.gov/construction/contracts/dbra_qa.pdf">https://www.fhwa.dot.gov/construction/contracts/dbra_qa.pdf</a>).</i></li> <li>• <i>FHWA considers this finding to be resolved.</i></li> </ul> <p>In an effort to continue to improve, the Department took the following actions to collect certified payrolls timely following the FY 2018 and FY2019 findings:</p> <ul style="list-style-type: none"> <li>• Highlighted the requirements for collecting certified payrolls at statewide construction meetings.</li> </ul>	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.219		20.224	
<u>CFDA #</u>	<u>Amount</u>									
20.205	\$0									
20.219										
20.224										

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2019	018 (cont'd)	<ul style="list-style-type: none"> <li>• Released an agency-wide Construction Bulletin regarding the monitoring and timely collection of certified payrolls.</li> <li>• Worked with the Department of Labor and Industries (L&amp;I) to utilize their Prevailing Wage Intent &amp; Affidavit (PWIA) system to electronically collect and store certified payrolls. The PWIA system went live on January 1, 2020.</li> <li>• Updated the Prime Contractor’s Performance Report Manual to include certified payrolls submission.</li> <li>• Updated training on the requirements to collect certified payrolls.</li> <li>• Updated the Construction Manual to include language for certified payroll collection requirements under the new L&amp;I PWIA System.</li> <li>• Continued to work with FHWA for any further actions needed to resolve this finding.</li> </ul> <p>This finding is further complicated because certified payroll requirements were removed from the OMB Compliance Supplement in FY20, so no future audits will be conducted in this area. In addition, any testing to determine resolution of the finding would be based on the OMB FY19 Compliance Supplement, which is now outdated. Removing timely Certified Payroll collection from the OMB Compliance Supplement would seem to indicate it was not a good measure of risk. Both WSDOT and FHWA have indicated that the measures in place at the Department facilitate compliance with 29 CFR 5.5 and the Davis-Bacon Act, not just a single aspect.</p> <p>The conditions noted in this finding were previously reported in finding 2018-013.</p> <p>Completion Date: June 2020</p> <p>Agency Contact: Jesse Daniels                      External Audit Liaison                      PO Box 47320                      Olympia, WA 98504                      (360) 705-7035  <a href="mailto:danielje@wsdot.wa.gov">danielje@wsdot.wa.gov</a></p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2019	029	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p>	<p>The Department of Social and Health Services did not have adequate internal controls to ensure payments to child care providers paid with Temporary Assistance for Needy Families funds were allowable.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.558</td> <td style="text-align: right;">\$4,382</td> </tr> </table> <p>Corrective action complete</p> <p>The Department partially concurs with the finding.</p> <p>The Department collaborated with the Department of Children, Youth, and Families (DCYF) to procure an electronic attendance record system. The system enables accurate and real-time recording of child care attendance, tracks daily attendance, and captures data on child care usage. As of December 2018, licensed providers who accept subsidies are required to use DCYF’s electronic attendance record system or an approved third party system to track attendance. As of November 2019, Family, Friends, &amp; Neighbors (FFN) providers were added to this requirement.</p> <p>Of the nine exceptions reported, the Department concurs that six of the payments were partially or fully unallowable. By September 2020, the Department will work with DCYF to establish overpayments where appropriate and refer these overpayments to the Office of Financial Recovery for collection.</p> <p>The Department does not concur that three of these payments were unallowable. The auditor found these payments to be unallowable because the providers submitted records for the correct month, but not for the child sampled. However, the Department was not given the opportunity to follow up with the providers to obtain the appropriate attendance records. The Department and DCYF have already reached out to the providers and will continue to follow up on the missing attendance records and determine the appropriate next steps.</p> <p>If the Department of Health and Human Services (HHS) contacts the Department regarding questioned costs that should be repaid, the Department will confirm these costs with HHS and will take appropriate action.</p> <p>The conditions noted in this finding were previously reported in findings 2018-026, 2017-017, and 2016-019.</p> <p>September 2020</p>	<u>CFDA #</u>	<u>Amount</u>	93.558	\$4,382
<u>CFDA #</u>	<u>Amount</u>						
93.558	\$4,382						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2019	029 (cont'd)	Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a>

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status							
2019	037	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with matching requirements for the Child Care and Development Fund.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.575</td> <td style="text-align: right;">\$440,578</td> </tr> <tr> <td>93.596</td> <td></td> </tr> </table> <p>Corrective action not taken</p> <p>The Department does not concur with the finding.</p> <p>The Department works closely with the Department of Social and Health Services (DSHS) and maintains that both agencies have adequate internal controls in place to ensure compliance with matching requirements of the Child Care and Development Fund grant. There has been no audit exception in this compliance area reported by the State Auditor's Office (SAO) in previous audits.</p> <p>Due to miscommunication between DSHS and SAO on the request for information during audit testing, the Department did not have sufficient time to provide the level of details needed for clear and convincing evidence that the Department complied with the requirement and met the required state match.</p> <p>In September 2020, the Department received the appropriate documentation from DSHS to submit to the U.S. Department of Health and Human Services (HHS), and is currently waiting for a response. The documentation supports the amount of state match reported by the Department.</p> <p>If HHS contacts the Department regarding questioned costs that should be repaid, the Department will confirm these costs and will take appropriate action.</p> <p>Not applicable</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$440,578	93.596	
<u>CFDA #</u>	<u>Amount</u>								
93.575	\$440,578								
93.596									



Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status							
2019	038	<p>Finding:</p> <p>Questioned</p> <p>Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families improperly charged \$4,212,863 to the Child Care and Development Fund program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.575</td> <td style="text-align: right;">\$4,212,863</td> </tr> <tr> <td style="text-align: right;">93.596</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Department partially concurs with the finding.</p> <p>During the audit period, grant reconciliations were not performed timely because the Department had to focus resources on transitioning two major federal programs and the onboarding of approximately 1,500 employees.</p> <p>Since then, the Department has prioritized reconciliations of the Child Care and Development Fund grants. Based on these reconciliations, the Department has identified and made corrections to expenditures to comply with the period of performance requirements. However, these corrections were made outside of the audit period and therefore were not taken into consideration when the auditors concluded audit work and issued this finding.</p> <p>It should also be noted that due to the late timing of the auditors' request for and review of financial records, the Department was not given sufficient time to complete verification of \$6,591 and concur if this amount was actually charged to the incorrect grant period.</p> <p>In response to the audit recommendations, the Department:</p> <ul style="list-style-type: none"> <li>• Strengthened internal controls to ensure grant expenditures are obligated and liquidated within the grant period of performance.</li> <li>• Completed journal voucher corrections of expenditures identified as charged to the incorrect grant period.</li> </ul> <p>If the federal grantor contacts the Department regarding questioned costs that should be repaid, the Department will confirm these costs and will take appropriate action.</p> <p>In progress</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$4,212,863	93.596	
<u>CFDA #</u>	<u>Amount</u>								
93.575	\$4,212,863								
93.596									

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2019	040	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families improperly charged \$161,394 to the federal Foster Care grant.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.658</td> <td style="text-align: right;">\$161,394</td> </tr> </table> <p>Corrective action complete</p> <p>The Department does not concur with the audit finding.</p> <p>As of July 1, 2018, the Department took over the responsibilities of managing the Foster Care program from the Department of Social and Health Services.</p> <p>The auditors determined that \$161,394 of federal expenditures were not supported because this amount could not be reconciled between the Department's provider payment system (SSPS) and the State's accounting system (AFRS). While SSPS does interface with AFRS, it is not the only payment mechanism utilized when paying for eligible foster care services. As such, there will always be a difference in the total expenditures between the two systems.</p> <p>The Department will consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</p> <p>The conditions noted in this finding were previously reported in finding 2018-038 and 2017-028. The auditors determined finding 2018-038 as still unresolved due to outstanding questioned costs.</p> <p>June 2021</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.658	\$161,394
<u>CFDA #</u>	<u>Amount</u>						
93.658	\$161,394						

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2019	041	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure direct payroll charges for the foster care grant were allowable and properly supported.</p> <table border="0" data-bbox="670 577 1476 640"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.658</td> <td style="text-align: right;">\$7,967,305</td> </tr> </table> <p>Corrective action complete</p> <p>The Department concurs with the finding.</p> <p>During the audit period, the Department had to focus resources on transitioning two major federal programs and the onboarding of approximately 1,500 employees. Due to limited staffing resources, semi-annual certifications were not completed timely.</p> <p>In response to the audit recommendations, the Department:</p> <ul style="list-style-type: none"> <li>• Implemented a payroll certification policy effective August 2019.</li> <li>• Strengthened internal controls over processing position coding changes to ensure direct charges to federal grants are allowable and accurate.</li> </ul> <p>The Department is currently working on completing fiscal year 2020 payroll certifications. By December 2020, the Department will complete the semi-annual certifications for July 2018 through June 2019.</p> <p>If the federal grantor contacts the Department regarding questioned costs that should be repaid, the Department will confirm these costs and will take appropriate action.</p> <p>December 2020</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.658	\$7,967,305
<u>CFDA #</u>	<u>Amount</u>						
93.658	\$7,967,305						

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Status							
2019	042	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families made improper payments to Foster Care providers.</p> <table border="0" data-bbox="667 520 1474 583"> <tr> <td data-bbox="667 520 808 552"><u>CFDA #</u></td> <td data-bbox="808 520 992 552"></td> <td data-bbox="992 520 1474 552"><u>Amount</u></td> </tr> <tr> <td data-bbox="667 552 808 583">93.658</td> <td data-bbox="808 552 992 583"></td> <td data-bbox="992 552 1474 583">\$4,443,104</td> </tr> </table> <p>Corrective action complete</p> <p>The Department concurs with the audit finding.</p> <p>A new federal law became effective in October 2018 that required all providers to pass fingerprint-based background checks before providing services to clients. Due to stakeholders' concerns, the Department implemented a provisional hire policy and submitted a waiver request to the Administration for Children and Families (ACH) to seek additional time to comply with the new law. In April of 2019, the request was denied.</p> <p>In response to ACH's denial of the Department's waiver request, the Department took the following actions:</p> <ul data-bbox="711 1066 1474 1308" style="list-style-type: none"> <li>• As of July 2019, implemented new policies regarding fingerprint-based background check requirements in accordance with the new federal law requirements.</li> <li>• As of September 2019, calculated the amount of improper payments made between October 2018 and June 2019.</li> <li>• Submitted a budget request to the Legislature to repay the ineligible reimbursements.</li> </ul> <p>In June 2020, the Department performed a review of the reconciliation spreadsheet for improper payments provided to the auditors during the audit. The Department found that the amount of improper payments reported in the finding also included the Medicaid program. The actual improper payments for the Foster Care program was \$1,624,228.64, of which \$812,114.32 was the federal share. The Department will return the correct overpayment amount to the federal grantor.</p> <p>September 2020</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>		<u>Amount</u>	93.658		\$4,443,104
<u>CFDA #</u>		<u>Amount</u>							
93.658		\$4,443,104							

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2019	047	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with a state law requirement to perform semi-annual data sharing with health insurers.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>97.775</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> </table> <p>Corrective action in progress.</p> <p>This finding is based on a specific data exchange method in which most insurance carriers have chosen not to participate and which the Authority has no legal authority to enforce. The auditor recommended the Authority seek and obtain the legal authority through legislation. While it is not within the Authority’s scope of responsibilities to regulate insurance companies, several other methods of data sharing are regularly employed to achieve the goal of identifying third party liability.</p> <p>After last year’s unsuccessful attempt, the Authority again drafted legislation for the 2020 legislative session. House Bill 2677 is a technical correction that modifies existing state law to more appropriately align with state practices.</p> <p>The legislation unanimously passed both the House of Representatives and Senate and was signed into law by the governor on March 27, 2020. The Authority believes this finding will be resolved through the enactment of this new law.</p> <p>The conditions noted in this finding were previously reported in findings 2018-041, 2017-031, 2016-028, 2015-030, 2014-034, 2013-020, 12-49, 11-38, 10-40, 09-19 and 08-25.</p> <p>In progress</p> <p>Kari Summerour, CPA                      External Audit Liaison                      P.O. Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.summerour@hca.wa.gov">Kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	97.775	\$0	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>										
97.775	\$0										
93.777											
93.778											

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2019	049	<p>Finding: The Health Care Authority did not have adequate internal controls to ensure Medicaid expenditures for Children’s Health Insurance Program Funds were allowable.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="672 548 764 575"><u>CFDA #</u></th> <th data-bbox="1003 548 1096 575"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="672 579 748 606">97.775</td> <td data-bbox="1003 579 1031 606">\$4</td> </tr> <tr> <td data-bbox="672 611 748 638">93.777</td> <td></td> </tr> <tr> <td data-bbox="672 642 748 669">93.778</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Authority does not concur with the description or effect of condition of the finding.</p> <p>The auditors determined that the Authority does not conduct a post-eligibility review for coverage under the Children’s Health Insurance Program (CHIP) when a household’s income is below 133 percent of the federal poverty level. There is no such requirement in our federally approved verification plan, and the Authority does not agree that a significant deficiency in internal control exists.</p> <p>The condition that led to the \$4 in unallowable claims for additional CHIP funds was corrected in July 2017.</p> <p>The Authority will consult with the grantor regarding the resolution of the questioned costs.</p> <p>The conditions noted in this finding were previously reported in findings 2018-048, 2017-038, 2016-034, 2015-039, and 2014-037. The auditors determined 2014-037 as resolved.</p> <p>Completion Date: Not Applicable</p> <p>Agency Contact: Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.summerour@hca.wa.gov">Kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	97.775	\$4	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>									
97.775	\$4									
93.777										
93.778										

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2019	050	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority made improper Medicaid payments to clients that were not eligible for the Modified Adjusted Gross Income Medicaid program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">97.775</td> <td style="text-align: right;">\$1,589</td> </tr> <tr> <td style="text-align: right;">93.777</td> <td></td> </tr> <tr> <td style="text-align: right;">93.778</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority concurs with the finding and will work with the federal grantor to resolve the questioned costs.</p> <p>As of May 2020, the Authority completed a system change request to correct the claims reported under the Medicaid grant instead of the Children’s Health Insurance Program (CHIP). Since the correction resulted in a higher federal participation rate for the claims under CHIP, there are no federal funds to return.</p> <p>The Authority will continue to ensure post eligibility reviews are completed according to the Authority’s policies and procedures.</p> <p>The auditors considered this finding unresolved due to outstanding questioned costs in fiscal year 2021.</p> <p>In progress</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	97.775	\$1,589	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>										
97.775	\$1,589										
93.777											
93.778											

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2019	051	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with suspension and debarment requirements for Medicaid medical fee-for-service providers.</p> <p>Questioned Costs:</p> <table border="0"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td></td> <td style="text-align: center;">97.775</td> <td style="text-align: center;">\$0</td> </tr> <tr> <td></td> <td style="text-align: center;">93.777</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">93.778</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority is taking corrective actions to improve internal controls and compliance with the suspension and debarment requirements.</p> <p>By December 2021, the Authority will fully implement the Automated Provider Screening process to conduct the following monthly database checks for medical providers:</p> <ul style="list-style-type: none"> <li>• Excluded Parties List System</li> <li>• Federal System for Award Management</li> </ul> <p>The Authority will also continue to monitor Managed Care Organizations' compliance with their contractual requirements to perform these monthly checks.</p> <p>The conditions noted in this finding were previously reported in findings 2018-046 and 2017-037.</p> <p>Completion Date: Estimated December 2021</p> <p>Agency Contact: Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.summerour@hca.wa.gov">Kari.summerour@hca.wa.gov</a></p>		<u>CFDA #</u>	<u>Amount</u>		97.775	\$0		93.777			93.778	
	<u>CFDA #</u>	<u>Amount</u>												
	97.775	\$0												
	93.777													
	93.778													



Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2019	055	<p>Finding: The Department of Social and Health Services, Aging and Long-Term Support Administration, made improper Medicaid payments to individual providers when clients were hospitalized or admitted to long-term care facilities.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 577 1104 703"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.775</td> <td>\$394,288</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department concurs with the finding.</p> <p>Currently, Medicaid claims are processed in two separate payment systems, specifically:</p> <ul style="list-style-type: none"> <li>• ProviderOne system for hospitals and long-term care (LTC) facilities where delay in submitting claims is typical, sometimes several months after services have been delivered.</li> <li>• IPOne system for individual providers where claims are generally submitted shortly after services are provided.</li> </ul> <p>Due to different claim requirements in two payment systems, it is currently impossible to establish an automated process to prevent personal care providers from claiming unallowable costs when clients were hospitalized or in an LTC facility. The Department can only detect duplicate payments after both payments have been made.</p> <p>The Department has the following mitigating controls in place:</p> <ul style="list-style-type: none"> <li>• As of November 2018, developed a report to identify payments made to all providers for in-home personal care services and mileage while a client was either hospitalized or admitted to an LTC facility.</li> <li>• As of March 2019, implemented a process to review claims made in the prior month and identify potentially unallowable claims. If determined unallowable, these claims are flagged for overpayments.</li> <li>• As of January 2020, a functionality was implemented in IPOne to allow the Department to process overpayments.</li> </ul> <p>As of December 2020, the Department returned the questioned costs to the Department of Health and Human Services for the unallowable claims.</p> <p>By December 2021, the Department will send written reminders to all individual providers that claiming in-home personal care hours is prohibited while a client is either hospitalized or admitted into an LTC facility.</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$394,288	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>									
93.775	\$394,288									
93.777										
93.778										

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2019	055 (cont'd)	<p>The conditions noted in this finding were previously reported in finding 2018-050 and 2016-048 which the auditors considered resolved in fiscal year 2020.</p> <p>Completion Date: Estimated December 2021</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2019	057	<p data-bbox="483 422 1482 548">Finding: The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid Community First Choice client service plans were properly approved.</p> <table border="0" data-bbox="483 579 1482 705"> <tr> <td data-bbox="483 579 613 611">Questioned Costs:</td> <td data-bbox="672 579 768 611"><u>CFDA #</u></td> <td data-bbox="1003 579 1099 611"><u>Amount</u></td> </tr> <tr> <td></td> <td data-bbox="672 611 748 642">93.775</td> <td data-bbox="1003 611 1122 642">\$2,191,213</td> </tr> <tr> <td></td> <td data-bbox="672 642 748 674">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 674 748 705">93.778</td> <td></td> </tr> </table> <p data-bbox="483 737 1482 768">Status: Corrective action in progress</p> <p data-bbox="483 800 1482 957">Corrective Action: The Department partially concurs with the finding.                      The Department agrees that a person-centered service plan should be signed by the Department, client, and provider responsible for its implementation.</p> <p data-bbox="672 989 1109 1020">However, the Department disagrees that:</p> <ul data-bbox="699 1031 1463 1388" style="list-style-type: none"> <li>• A lack of required signatures on the service plan should result in questioned costs when the client is eligible for the services and the provider is qualified to deliver services. The Centers for Medicare &amp; Medicaid Services (CMS) has also provided guidance to the Department that services should not be terminated if required signatures cannot be obtained.</li> <li>• A service plan that is not signed by a client, a provider, or the Department within 60 days should be considered an exception. The 60-day timeline in the state law outlines an administrative option that could be utilized by the Department to terminate services when deemed necessary.</li> </ul> <p data-bbox="672 1430 1430 1493">The Department also has concerns over the objectives of the additional reviews performed in the fiscal year 2019 audit, as follows:</p> <ul data-bbox="699 1503 1446 1797" style="list-style-type: none"> <li>• The auditors significantly broadened the scope of the audit by including interim assessments, which increased the number of asserted exceptions compared to when only full assessments were included.</li> <li>• The auditors performed follow-up testing on the 59 exceptions previously reported in the fiscal year 2018 audit finding. The auditors subsequently took exceptions on the client service plans that were still not complete for part or all of the current audit period and assigned questioned costs to the current audit finding.</li> </ul> <p data-bbox="737 1829 1471 1986">The Department does not agree that re-testing of the prior year's audit exceptions is valid. By performing audit testing on outdated client service plans included in the prior year's audit, the auditor's approach essentially disregarded the Department's good faith effort in attempting to remediate exceptions from the prior audit.</p>	Questioned Costs:	<u>CFDA #</u>	<u>Amount</u>		93.775	\$2,191,213		93.777			93.778	
Questioned Costs:	<u>CFDA #</u>	<u>Amount</u>												
	93.775	\$2,191,213												
	93.777													
	93.778													

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2019	057 (cont'd)	<p>As of June 2019, the Department:</p> <ul style="list-style-type: none"> <li>• Revised policies and procedures to require providers' signatures on person-centered service plans.</li> <li>• Issued a management bulletin to communicate the updated policies and procedures, and address the use of electronic signature technology in the field.</li> <li>• Created a mechanism for case managers to collect signatures on an electronic signature pad. The Department will continue to work with field staff to encourage the use of this technology.</li> <li>• Conducted numerous meetings with the directors of Area Agency on Aging to discuss policy changes on service summary signatures and staffing issues caused by the increased workload.</li> </ul> <p>The Department currently included reviewing compliance with signature requirements on client service plans as part of the formal quality assurance (QA) reviews. However, the outcomes of these enhanced QA activities were not reflected in the fiscal year 2019 audit period.</p> <p>The Department has continued to implement process improvement plans. As of March 2021, statewide compliance results met proficiency goals.</p> <p>As of June 2021, the Department:</p> <ul style="list-style-type: none"> <li>• Provided additional training to staff on relevant federal regulations and state policies.</li> <li>• Established guidance on the appropriate use of interim assessments.</li> <li>• Submitted a request in the Governor's budget and received:                         <ul style="list-style-type: none"> <li>○ Additional staff to collect signed service plans.</li> <li>○ An information technology enhancement that will reduce, but not eliminate, the manual effort necessary to collect signed service plans.</li> </ul> </li> </ul> <p>By December 2021, The Department will:</p> <ul style="list-style-type: none"> <li>• Utilize electronic voice signature collecting technology, with a pilot program beginning in October 2021.</li> <li>• Consult with CMS to determine if person-centered service plans that are missing signatures should result in an unallowable payment. If necessary, the Department will identify associated costs related to any unallowable payments.</li> <li>• Work with the U.S. Department of Health and Human Services to determine if any costs charged to Medicaid funds must be repaid.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2018-059 and 2017-045.</p> <p>Completion Date: Estimated December 2021</p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2019	057 (cont'd)	Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2019	058	<p>Finding: The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid Community First Choice client service plans were properly approved.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 583 1128 703"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.775</td> <td style="text-align: right;">\$2,169,725</td> </tr> <tr> <td style="text-align: right;">93.777</td> <td></td> </tr> <tr> <td style="text-align: right;">93.778</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with the finding.</p> <p>The Department agrees that a person-centered service plan should be signed by the Department, client, and provider responsible for its implementation.</p> <p>However, the Department disagrees that:</p> <ul style="list-style-type: none"> <li>• A lack of required signatures on the service plans should result in questioned costs when the client is eligible for the services and the provider is qualified to deliver services. The Centers for Medicare &amp; Medicaid Services (CMS) has also provided guidance to the Department that services should not be terminated if required signatures cannot be obtained.</li> <li>• A service plan that is not signed by a client, a provider, or the Department within 60 days should be considered an exception. The 60-day timeline in the state law outlines an administrative option that could be utilized by the Department to terminate services when deemed necessary.</li> </ul> <p>The Department also has the following concerns over the objectives of the additional reviews performed in the fiscal year 2019 audit, as follows:</p> <ul style="list-style-type: none"> <li>• The auditors performed follow-up testing on the exceptions previously reported in the fiscal year 2018 audit finding. The auditors subsequently took exceptions on the client service plans that were still not complete for part or all of the current audit period and assigned questioned costs to the current audit finding.</li> <li>• The Department does not agree that re-testing of the prior year’s audit exceptions is valid. By performing audit testing on outdated client service plans included in the prior year’s audit, the auditor’s approach essentially disregarded the Department’s good faith effort in attempting to remediate exceptions from prior audit.</li> </ul> <p>Currently, the Department has the following quality assurance process in place to monitor compliance in obtaining required signatures on person-centered service plans:</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$2,169,725	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>									
93.775	\$2,169,725									
93.777										
93.778										

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2019	058 (cont'd)	<ul style="list-style-type: none"> <li>• The Quality Compliance Coordination team reviews a statewide sample for required signatures or documented attempts to obtain signatures.</li> <li>• The review measures statewide proficiency for obtaining required signatures in an established annual cycle. If the review finds a proficiency rate below 86 percent, the Department will implement a quality improvement plan to improve statewide performance.</li> <li>• Case manager supervisors monitor compliance by ensuring all case managers meet the requirement of obtaining signatures through all available department-approved options.</li> </ul> <p>The Department will continue to work towards implementing the electronic signature option.</p> <p>The Department and the State Health Care Authority sent communications to CMS for guidance on whether person-centered service plans that missing signatures should result in unallowable payments. If necessary, the Department will work with the U.S. Department of Health and Human Services to determine if any costs charged to Medicaid funds must be reimbursed. As of June 2021, the Department is still awaiting a response.</p> <p>The conditions noted in this finding were previously reported in finding 2018-060, 2017-046, and 2016-043 The auditors considered this finding unresolved due to outstanding questioned costs.</p> <p>Completion Date: In process</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2019	060	<p>Finding: The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls to ensure Medicaid payments to home care agencies were allowable.</p> <p>Questioned Costs:</p> <table border="0"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td></td> <td style="text-align: center;">93.775</td> <td style="text-align: center;">\$0</td> </tr> <tr> <td></td> <td style="text-align: center;">93.777</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">93.778</td> <td></td> </tr> </table> <p>Status: Corrective action not taken</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>Area Agencies on Aging (AAA) monitor home care agencies (HCAs) for contractual compliance in many areas, including verification of time and task performance. In response to the prior year’s audit finding, the Department modified the tool provided to AAAs for more effectively monitoring HCAs’ compliance with electronic timekeeping contractual requirements.</p> <p>The Aging and Long-Term Support Administration State Unit on Aging (SUA) reviews a random sample of HCAs to determine if the AAA monitored and reviewed compliance with the electronic time keeping requirements as outlined in the HCA Monitoring Tool.</p> <p>The Department maintains that the monitoring by the AAA and SUA is adequate to provide assurance that Medicaid payments to home care agencies were allowable.</p> <p>Additionally, the fiscal year 2019 audit did not identify any exceptions related to electronic time keeping compliance, which provided further evidence that the current internal controls implemented by the Department are working as intended.</p> <p>The conditions noted in this finding were previously reported in finding 2018-054.</p> <p>Completion Date: Not applicable</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>		<u>CFDA #</u>	<u>Amount</u>		93.775	\$0		93.777			93.778	
	<u>CFDA #</u>	<u>Amount</u>												
	93.775	\$0												
	93.777													
	93.778													



Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Status					
2018	005	Finding:  Questioned Costs:  Status:  Corrective Action:   Completion Date:  Agency Contact:	The Department of Health did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Special Supplemental Nutrition Program for Women, Infants, and Children program received required audits.  <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">10.557</td> <td style="text-align: right;">\$0</td> </tr> </table> Corrective action complete  The Department concurs with the finding.  To strengthen internal controls over subrecipient monitoring, the Department is taking the following actions: <ul style="list-style-type: none"> <li>• Review and update the agency process of monitoring subrecipient audits to ensure the Department complies with federal requirements.</li> <li>• Improve the agency spreadsheet used to track audit activities to include audit periods and due dates.</li> <li>• Implement a process to follow up on subrecipient audit findings and issue timely management decisions.</li> </ul> August 2021  Kristina White External Audit Manager PO Box 47890 Olympia, WA 98504-7890 (360) 236-4547 <a href="mailto:kristina.white@doh.wa.gov">kristina.white@doh.wa.gov</a>	<u>CFDA #</u>	<u>Amount</u>	10.557	\$0
<u>CFDA #</u>	<u>Amount</u>						
10.557	\$0						

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status										
2018	014	<p>Finding: The Department of Transportation did not have adequate internal controls over and did not comply with requirements to collect certified payrolls from contractors on projects funded by the Federal Transit Cluster.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th data-bbox="673 548 764 575"><u>CFDA #</u></th> <th data-bbox="980 548 1071 575"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 575 764 602">20.500</td> <td data-bbox="980 575 1071 602">\$0</td> </tr> <tr> <td data-bbox="673 602 764 630">20.507</td> <td></td> </tr> <tr> <td data-bbox="673 630 764 657">20.525</td> <td></td> </tr> <tr> <td data-bbox="673 657 764 684">20.526</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action complete</p> <p>Corrective Action: The Department does not concur with the finding.</p> <p>After consulting with the Federal Transit Administration (FTA) and the Federal Highway Administration (FHWA) and conducting additional research, the Department believes its process complies with the Davis-Bacon Act and federal regulations for contractor payment of prevailing wages.</p> <p>As of June 2019, the Department has taken the following actions in its continued effort of improvement:</p> <ul style="list-style-type: none"> <li>• Issued an agency wide Construction Bulletin to the regional offices regarding monitoring timely collection of certified payrolls from contractors.</li> <li>• Conducted discussions at various statewide meetings.</li> <li>• Posted additional resources for regional offices on the Construction SharePoint site.</li> <li>• Discussed with the Department of Labor and Industries use of its reporting tool beginning in January 2020, including how the system could be utilized/modified for the Davis-Bacon requirements.</li> <li>• Continued consultation with FTA for any further actions needed to resolve this finding.</li> </ul> <p>In July 2020, the Department received a management decision letter from FHWA for the fiscal year 2019 finding, in which it stated:</p> <ul style="list-style-type: none"> <li>• <i>In response to these findings and similar findings in the previous year, WSDOT released a construction bulletin and revised their Construction Manual and Specification with more stringent controls to facilitate reasonable compliance. FHWA has approved WSDOT's Construction Manual and Standard Specifications.</i></li> <li>• <i>FHWA believes that WSDOT's procedures contain the necessary controls to ensure reasonable compliance with 29 CFR 5.5 and FHWA Davis-Bacon and Related Acts Questions and Answers (<a href="https://www.fhwa.dot.gov/construction/contracts/dbra_ga.pdf">https://www.fhwa.dot.gov/construction/contracts/dbra_ga.pdf</a>).</i></li> <li>• <i>FHWA considers this finding to be resolved.</i></li> </ul> <p>The Department will continue to use Construction Bulletins to communicate best practices and other pertinent guidance to its regional</p>	<u>CFDA #</u>	<u>Amount</u>	20.500	\$0	20.507		20.525		20.526	
<u>CFDA #</u>	<u>Amount</u>											
20.500	\$0											
20.507												
20.525												
20.526												

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2018	014	<p>construction offices on an ongoing basis, and will share this information with the Terminal and Vessel Engineering groups in the Ferries Division.</p> <p>Completion Date: June 2019</p> <p>Agency Contact: Jesse Daniels                      External Audit Liaison                      PO Box 47320                      Olympia, WA 98504-7320                      (360) 705-7004  <a href="mailto:danielje@wsdot.wa.gov">danielje@wsdot.wa.gov</a></p>

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2018	049	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority made improper payments for Medicaid managed care recipients with Medicare insurance coverage.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">97.775</td> <td style="text-align: right;">\$3,762,678</td> </tr> <tr> <td style="text-align: right;">93.777</td> <td></td> </tr> <tr> <td style="text-align: right;">93.778</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority has implemented the following corrective actions:</p> <ul style="list-style-type: none"> <li>• As of March 2016, developed an algorithm to identify Per Member Per Month (PMPM) premium payments for clients enrolled in Medicare.</li> <li>• As of June 2018, went live with the enhancements to the ProviderOne system to automate recoupment of PMPM premiums for clients who are retro-enrolled in Medicare.</li> <li>• Ran the new algorithm for the period from the last algorithm run in November 2017 to the system enhancement in June 2018, and identified all PMPM premium duplicate payments.</li> </ul> <p>As of August 2019, the Authority completed the work to recoup the duplicate payments, and will follow its normal finding resolution process with the U.S. Department of Health and Human Services regarding the resolution of questioned costs.</p> <p>The conditions noted in this finding were previously reported in findings 2017-039. The auditors considered this finding unresolved due to outstanding questioned costs in fiscal year 2020.</p> <p>In progress</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	97.775	\$3,762,678	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>										
97.775	\$3,762,678										
93.777											
93.778											

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status								
2017	032	<p>Finding: The Health Care Authority overpaid a tribe for Medicaid chemical dependency treatments.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 520 1128 640"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.775</td> <td>\$3,909,517</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority submits an annual State Plan to the Centers for Medicare and Medicaid Services (CMS) for approval. The plan includes tribal health care facilities that deliver health care services to Medicaid-eligible clients. In August 2017, the State Auditor’s Office published a whistleblower investigation (report number 1019566) that reported the Authority overpaid a tribe for chemical dependency treatments.</p> <p>Since the language in the State Plan is not conclusive and more than one tribe has challenged the conclusions in the whistleblower report, the Authority requested guidance from CMS in September 2017 on whether the payments identified in the audit report are overpayments.</p> <p>The Authority also requested an amendment to the State Plan to provide clear language that would prospectively preclude the primary type of findings published in the whistleblower investigation and that is consistent with language approved by CMS for other states’ tribal health programs. CMS approved the requested amendment effective September 29, 2017.</p> <p>On January 29, 2018, CMS directed the Authority to Section 4320 of the State Medicaid Manual issued by the Health Care Financing Administration (predecessor agency to CMS). In particular, paragraph C of the Section states:</p> <p style="text-align: center;"><i>“If a State elects to cover clinic services, it may choose the type of clinics or clinic services that are covered, provided that the services constitute medical or remedial care.”</i></p> <p>In light of this CMS guidance and various mitigating factors, the Authority determined it would be inappropriate to seek recovery of payments based solely on service rendered by a provider not listed in the State Plan, which was in effect prior to the amendment in September 2017.</p> <p>The Authority has contacted CMS on multiple occasions to determine if the audit finding is closed. As of June 2020, the Authority resubmitted the supporting information to CMS, requested the finding be closed, and the questioned costs be resolved.</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$3,909,517	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>									
93.775	\$3,909,517									
93.777										
93.778										

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status
2017	032 (cont'd)	<p>If the U.S. Department of Health and Human Services determines the payments identified in the audit are in fact overpayments, the Authority will follow the normal audit resolution process to resolve the questioned costs.</p> <p>The auditors considered this finding unresolved due to outstanding questioned costs in fiscal year 2020.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2017	036	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority overpaid Medicaid hospitals for outpatient services.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.775</td> <td style="text-align: right;">\$118,679</td> </tr> <tr> <td style="text-align: right;">93.777</td> <td></td> </tr> <tr> <td style="text-align: right;">93.778</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority agrees that some claims were missed during the original mass adjustment of claims affected by incorrect Enhanced Ambulatory Patient Group (EAPG) weight assignment in the ProviderOne system.</p> <p>As of November 2017, the Authority identified all the missed claims and processed the majority of the adjustments.</p> <p>As of January 2018, the Authority completed the processing of the remaining two percent of the claims that did not get adjusted in November 2017. All corrections had been completed at that time and there were no outstanding questioned costs.</p> <p>Since federal funds overpayments were normally returned through the quarterly reporting process, the Authority is working with the Center for Medicare and Medicaid Services in order to appropriately reflect the resolution of the questioned costs.</p> <p>The auditors considered this finding unresolved due to outstanding questioned costs in fiscal year 2020.</p> <p>In progress</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$118,679	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>										
93.775	\$118,679										
93.777											
93.778											

State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2017	040	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority made improper Medicaid pharmacy fee-for-service payments for clients enrolled in managed care.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.775</td> <td style="text-align: right;">\$111,756</td> </tr> <tr> <td style="text-align: right;">93.777</td> <td></td> </tr> <tr> <td style="text-align: right;">93.778</td> <td></td> </tr> </table> <p>Corrective action not taken</p> <p>The Authority does not concur with the finding.</p> <p>The pharmacy claims selected under this review were appropriately paid with the client being covered under the fee-for-service program at the time of claim submission and payment. The Authority does not recoup pharmacy payments for appropriately billed and paid services when the client's enrollment retroactively changes from fee-for-service to managed care.</p> <p>The Authority received informal guidance from Centers for Medicare and Medicaid Services (CMS) stating that this cost/benefit approach is appropriate. The Authority has since requested official guidance from CMS on multiple occasions.</p> <p>As of June 2021, the Authority has not received definitive guidance. The auditors considered this finding unresolved due to outstanding questioned costs in fiscal year 2020.</p> <p>Not applicable</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$111,756	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>										
93.775	\$111,756										
93.777											
93.778											



Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2017	048	<p>Finding: The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over and did not comply with requirements to ensure Adult Family Home providers had proper background checks.</p> <p>Questioned Costs:</p> <table border="0" data-bbox="673 583 1096 703"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td></td> <td style="text-align: center;">93.775</td> <td style="text-align: center;">\$98,399</td> </tr> <tr> <td></td> <td style="text-align: center;">93.777</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">93.778</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with this finding.</p> <p>The Department agrees that one background check was not renewed timely. As of November 2017, the Department implemented an internal reporting tool which alerts staff to send a reminder notice to a provider when the current background check of an employee is expiring in 60 days. If the provider does not complete the background check by the required due date, a complaint investigation will be initiated.</p> <p>The Department does not concur with the two exceptions regarding the missing national fingerprint background check for the two providers. The providers in question had both applied in 2011, which was prior to WAC 388-76-10165 becoming effective and requiring a fingerprint check.</p> <p>The Department also does not agree the findings should be tied to questioned costs. The auditors did not identify any providers who had a disqualifying crime or negative action. While the one Adult Family Home in question was out of compliance with the licensing requirements of WAC 388-76 by not having current background check results on file, and is therefore subject to corrective action and sanctions by the Department, the provider was not unqualified to provide Medicaid paid services. Thus, the payments to the provider were proper.</p> <p>Additionally, the Department is unable to comment on or validate the auditor's statement of noncompliance with background check issues related to the Adult Family Home employees because the auditor had failed to provide any data to substantiate this part of the finding.</p> <p>In July 2018, the Department sent a letter to the Centers for Medicare and Medicaid Services (CMS) to request an opinion as to whether the questioned costs need to be repaid. In October 2018, the Department held a telephone conference with CMS, the auditors, and the State Health Care Authority (HCA) to discuss the questioned costs. As of June 2020, neither the Department nor HCA has received any correspondence from CMS regarding its opinion or determination.</p> <p>The conditions noted in this finding were previously reported in findings</p>		<u>CFDA #</u>	<u>Amount</u>		93.775	\$98,399		93.777			93.778	
	<u>CFDA #</u>	<u>Amount</u>												
	93.775	\$98,399												
	93.777													
	93.778													

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Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2017	048 (cont'd)	<p>2016-044, 2015-051, 2014-048, and 2013-037. The auditors considered finding 2013-037 as resolved in fiscal year 2018. This finding is unresolved due to outstanding questioned costs.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.meyer@dshs.wa.gov">Richard.meyer@dshs.wa.gov</a></p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2017	050	<p data-bbox="483 422 1468 514">Finding: The Department of Social and Health Services, Aging and Long-Term Care Administration and Developmental Disabilities Administration, made improper overtime payments to Medicaid individual providers.</p> <table border="0" data-bbox="483 548 1096 674"> <tr> <td data-bbox="483 548 613 575">Questioned</td> <td data-bbox="672 548 768 575"><u>CFDA #</u></td> <td data-bbox="1003 548 1096 575"><u>Amount</u></td> </tr> <tr> <td data-bbox="483 579 553 606">Costs:</td> <td data-bbox="672 579 748 606">93.775</td> <td data-bbox="1003 579 1079 606">\$9,778</td> </tr> <tr> <td></td> <td data-bbox="672 611 748 638">93.777</td> <td></td> </tr> <tr> <td></td> <td data-bbox="672 642 748 669">93.778</td> <td></td> </tr> </table> <p data-bbox="483 707 982 735">Status: Corrective action in progress</p> <p data-bbox="483 768 1206 829">Corrective Action: The Department does not concur with the finding.</p> <p data-bbox="672 833 1398 989">The Department uses the Comprehensive Assessment Reporting Evaluation (CARE) tool, approved by the Centers for Medicare and Medicaid Services (CMS), to assess client needs and to allocate the number of hours of personal care and respite the client is eligible to receive.</p> <p data-bbox="672 1022 1433 1146">Payments were made to qualified providers for services the client was authorized to receive. All hours paid to the individual providers were allowable as no payments were made in excess of the CARE generated allowable hours.</p> <p data-bbox="672 1180 1455 1465">The Department's process complies with CMS's directive outlined in the information bulletin published by the U.S. Department of Health and Human Services in July 2014. The directive required that any processes developed by States must comply with the Fair Labor Standards Act (FLSA). The Department protects clients' access to eligible services and supports from a provider of their choice through their person-centered service plan. In addition, overtime costs paid under FLSA can be reimbursed as a reasonable cost related to the delivery of Medicaid services.</p> <p data-bbox="672 1499 1468 1688">The Department cannot prevent the provider from being paid more than their work week limit because labor law requires payment for all hours worked. Providers must therefore be allowed to claim and be paid for hours worked. However, the Department does follow the post-payment procedure outlined in WAC 388-114-0120 to address claims that exceed a provider's work week limit.</p> <p data-bbox="672 1722 1455 1974">With the passage of Engrossed Second Substitute House Bill 1725 (ESSHB 1725), the Legislature imposed work week limits on individual providers. The statute also directed the Department not to impose work week limits on individual providers until the Department conducted a review of the plan of care for the clients served by the individual provider. These reviews were not completed until July 2016, and five of the payments found by the auditors to be unallowable were made prior to this time.</p>	Questioned	<u>CFDA #</u>	<u>Amount</u>	Costs:	93.775	\$9,778		93.777			93.778	
Questioned	<u>CFDA #</u>	<u>Amount</u>												
Costs:	93.775	\$9,778												
	93.777													
	93.778													

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Fiscal Year	Finding Number	Finding and Corrective Action Status
2017	050 (cont'd)	<p>The rules adopted as a result of ESSHB 1725 have a mechanism for terminating individual providers if they repeatedly exceed their work week limit. Regardless of whether the individual provider exceeds their work week limit, payment for all hours worked is required. The Department adheres to specific actions before stopping a payment to an individual provider who works more than the work week limit. The restrictions imposed on the individual provider by these statutory limits and associated rules have no relation to the client's benefit, which is reflected as authorized hours.</p> <p>The Department also notes that the calculation of the questioned costs was incorrect. The provision of the hours themselves are not in question, only the payment of overtime for these hours. The cost of overtime is the difference between the individual provider's base rate of pay and one and a half times of the base rate. Therefore, questioned costs should be calculated only on the overtime cost.</p> <p>The Department will continue to:</p> <ul style="list-style-type: none"> <li>• Follow procedures to identify providers who have excess claims over the work week limit.</li> <li>• Issue necessary contract actions according to Department policy.</li> </ul> <p>In July 2018, the Department sent a letter to the Centers for Medicare and Medicaid Services (CMS) to request an opinion as to whether the questioned costs need to be repaid. In October 2018, the Department held a telephone conference with CMS, the auditors, and the State Health Care Authority (HCA) to discuss the questioned costs. In March 2019, the Department followed up with CMS requesting a decision. As of June 2021, , neither the Department nor HCA has received any correspondence from CMS regarding its opinion or decision.</p> <p>If the grantor contacts the Department regarding questioned costs that should be repaid, the Department will confirm these costs and will take appropriate action. The auditors considered this finding unresolved due to outstanding questioned costs.</p> <p>Completion Date: In process</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.meyer@dshs.wa.gov">Richard.meyer@dshs.wa.gov</a></p>

State Health Care Authority

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Fiscal Year	Finding Number	Finding and Corrective Action Status									
2016	032	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not establish adequate internal controls and did not comply with requirements to ensure it sought reimbursement for all eligible Medicaid outpatient prescription drug rebate claims.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.775</td> <td style="text-align: right;">\$273,598</td> </tr> <tr> <td style="text-align: right;">93.777</td> <td></td> </tr> <tr> <td style="text-align: right;">93.778</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>In response to the audit finding, the Authority has implemented the following corrective actions:</p> <ul style="list-style-type: none"> <li>• As of September 2016, identified and corrected the system issue concerning the Medicaid eligibility code.</li> <li>• As of February 2017, corrected the system issue concerning the managed care plan coding errors.</li> </ul> <p>The Authority has also strengthened its review process by:</p> <ul style="list-style-type: none"> <li>• Preparing a checklist of steps for staff to consider when a new code is added to the ProviderOne System.</li> <li>• Implementing quarterly monitoring reports designed to validate the completeness and accuracy of each invoicing cycle.</li> </ul> <p>On May 31, 2017, the Authority invoiced the unclaimed rebates identified by the auditors.</p> <p>The Authority and U.S. Department of Health and Human Services have discussed the resolution of questioned costs.</p> <p>The conditions noted in this finding were previously reported in findings 2015-034 and 2014-031 which the auditors determined to be resolved. The auditors considered this finding unresolved due to outstanding questioned costs in fiscal year 2020.</p> <p>In progress</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$273,598	93.777		93.778	
<u>CFDA #</u>	<u>Amount</u>										
93.775	\$273,598										
93.777											
93.778											

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status												
2016	047	<p>Finding: Medicaid funds were overpaid to a supported living agency that contracted with the Department of Social and Health Services, Developmental Disabilities Administration.</p> <p>Questioned Costs:</p> <table border="0"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td></td> <td style="text-align: center;">93.775</td> <td style="text-align: center;">\$1,258,250</td> </tr> <tr> <td></td> <td style="text-align: center;">93.777</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">93.778</td> <td></td> </tr> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department partially concurs with finding.</p> <p>The Department processed the payment notice to the Department’s Office of Financial Recovery (OFR) in February 2017.</p> <p>Per federal rules, the Department is not required to refund the federal share of an overpayment made to a provider to the extent that the Department is unable to recover the overpayment because the provider has been determined bankrupt.</p> <p>The provider in question filed for bankruptcy in March 2019. The Department worked with OFR to follow the federal and state rules for financial recovery that pertains to bankruptcy proceedings, and submitted the required information received from the bankruptcy court for the amount owed.</p> <p>As of March 2019, the Department forwarded all court records to the U.S. Department of Health and Human Services (HHS).</p> <p>As of June 2021, the Department has not received any communication from HHS confirming the status of the questioned costs. The auditors considered this finding unresolved due to outstanding questioned costs.</p> <p>Completion Date: In process</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.meyer@dshs.wa.gov">Richard.meyer@dshs.wa.gov</a></p>		<u>CFDA #</u>	<u>Amount</u>		93.775	\$1,258,250		93.777			93.778	
	<u>CFDA #</u>	<u>Amount</u>												
	93.775	\$1,258,250												
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State Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Status									
2015	037	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority overpaid Medicaid providers for dental services.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.775</td> <td style="text-align: right;">\$25,945</td> </tr> <tr> <td style="text-align: right;">93.777</td> <td></td> </tr> <tr> <td style="text-align: right;">93.778</td> <td></td> </tr> </table> <p>ARRA and non-ARRA</p> <p>Corrective action in progress</p> <p>The Authority has recouped the unallowable claims paid to dental providers.</p> <p>The Authority will follow its normal finding resolution process with the U.S. Department of Health and Human Services regarding the resolution of questioned costs.</p> <p>The conditions noted in this finding were previously reported in finding 2014-033 and 2013-027, and 12-53, which the auditors considered resolved. The auditors considered this finding unresolved due to outstanding questioned costs in fiscal year 2020.</p> <p>In progress</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$25,945	93.777		93.778	
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93.775	\$25,945										
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Fiscal Year	Finding Number	Finding and Corrective Action Status											
2015	040	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls in place to ensure in-home care providers paid by Medicaid had proper background checks.</p> <table border="0" data-bbox="667 583 1096 735"> <thead> <tr> <th data-bbox="667 583 771 613"><u>CFDA #</u></th> <th data-bbox="1003 583 1096 613"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="667 613 771 642">93.775</td> <td data-bbox="1003 613 1096 642">\$26,138</td> </tr> <tr> <td data-bbox="667 642 771 672">93.777</td> <td></td> </tr> <tr> <td data-bbox="667 672 771 701">93.778</td> <td></td> </tr> <tr> <td data-bbox="667 701 1096 735">ARRA and non-ARRA</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>The Department reviewed the six providers identified by the auditors to verify that the providers had no disqualifying crimes at any point in their employment. The providers were subjected to an initial Character, Competence and Suitability (CCS) review during the contracting process. There is no RCW or WAC that states that an individual provider becomes unqualified if a new CCS review is not completed at each bi-annual background check when there are no new crimes and they care for the same client, which is the case for these six providers.</p> <p>The Department continues to strengthen processes to ensure CCS reviews are completed and adequately documented in accordance with Department policy. Clarification was provided to field offices via management bulletin on March 30, 2015, providing clear direction on required forms and frequency of completion for CCS reviews.</p> <p>Annually, the Assisted Long-Term Services Administration's Quality Assurance (QA) unit selects a sample of individual provider files for monitoring at each field office and reviews the files for background checks. In 2015, a total of 386 files were reviewed by the QA unit. In addition to these reviews, field office supervisors are required to complete quality assurance reviews on individual provider files. In 2015, a total of 1,293 files were reviewed by supervisors. Overall, internal quality assurance reviews showed 97 percent proficiency. This process will continue and will assist in evaluating compliance with the Department's policies and processes to identify potential changes.</p> <p>The Department has sent numerous communications to the U.S. Department of Health and Human Services regarding resolution of the questioned costs, but is still awaiting a response.</p> <p>The conditions noted in this finding were previously reported in findings 2014-049, 2013-040, 12-41, and 11-34, which the auditors determined to be resolved. This finding is considered unresolved due to outstanding questioned costs.</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$26,138	93.777		93.778		ARRA and non-ARRA	
<u>CFDA #</u>	<u>Amount</u>												
93.775	\$26,138												
93.777													
93.778													
ARRA and non-ARRA													



Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2015	040 (cont'd)	Completion Date: In progress  Agency Contact: Rick Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Status
2014	048	<p>Finding: The Department of Social and Health Services, Aging and Long-Term Support Administration, did not adequately monitor Medicaid Adult Family Home providers to ensure all providers, caregivers and resident managers who are employed directly or by contract have proper background checks.</p> <p>Questioned Costs: <u>CFDA #</u> <u>Amount</u>                      93.775 \$1,082,213                      93.777                      93.778 ARRA and non-ARRA</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: In response to the fiscal year 2013 audit the Department implemented several processes that continued through the fiscal year 2014 audit and remain ongoing.</p> <p>The Department is providing training to staff on standard operating procedures for inspections which includes reviewing background checks on all caregivers, representatives and resident managers who are employed directly or by contract.</p> <p>Additionally, the Department is continuing to strengthen its monitoring of Adult Family Home (AFH) staff background checks through the Department’s standard facility licensing, annual facility survey and investigatory business protocols. During AFH inspections, the Department reviews background checks for all employees working at the facility to ensure disqualified caregivers do not have access to vulnerable adults.</p> <p>The Department will take action on questioned costs as requested by Center for Medicare and Medicaid Services.</p> <p>The conditions noted in this finding were previously reported in finding 2013-037. The auditors considered this finding unresolved in fiscal year 2020 due to outstanding questioned costs.</p> <p>Completion Date: In progress</p> <p>Agency Contact: Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>

## 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*

#### **State of Washington July 1, 2020 through June 30, 2021**

The Honorable Jay Inslee  
State of Washington  
Olympia, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units and remaining fund information and the aggregate discretely presented component units of the State of Washington, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the State's basic financial statements, and have issued our report thereon dated December 21, 2021.

Our report includes a reference to other auditors who audited the financial statements of the Department of Retirement Systems, the Local Government Investment Pool, the University of Washington, and the funds managed by the State Investment Board, as described in our report on the State's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

As explained in Note 1.D.1, the financial statements include pension trust fund investments, the fair values of which have been estimated by management in the absence of readily determinable fair values. Management's estimates are based upon information provided by the fund managers or, in the case of investments in partnerships, the general partners.

As discussed in Note 2 to the financial statement, during the year ended June 30, 2021, the State implemented Government Accounting Standards Board Statement No. 84, *Fiduciary Activities*.

## INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the State's internal control over financial reporting (internal control) to determine 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 State's internal control. Accordingly, we do not express an opinion on the effectiveness of the State's internal control.

Our consideration of internal control was for the limited purpose described above 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 were not identified. However, as described in the accompanying Schedule of Audit Findings and Responses, we and the other auditors identified certain deficiencies in internal control that we consider to be material weaknesses.

*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 State's financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies described in the accompanying Schedule of Audit Findings and Responses as Finding 2021-001 to be material weaknesses.

We also noted certain matters that we have reported to the management of the State in a separate letter dated December 21, 2021.

## COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the State's financial statements are free from material misstatement, we performed tests of the State's 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 and the reports of the other auditors disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## STATE'S RESPONSE TO FINDINGS

The State's response to the findings identified in our audit is described in the accompanying Schedule of Audit Findings and Responses. The State'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.

## PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

December 21, 2021

## INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

### State of Washington July 1, 2020 through June 30, 2021

The Honorable Jay Inslee  
State of Washington  
Olympia, Washington

## REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

### Disclaimer, Adverse, Qualified and Unmodified Opinions

We have audited the compliance of the State of Washington, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the State's major federal programs for the year ended June 30, 2021, except as described below. The State's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

The State's basic financial statements include the operations of King County Public Hospital District No. 1 (the Valley Medical Center), which expended \$50,153,288 in federal awards which is not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2021. Our audit, described below, did not include the operations of the Valley Medical Center because it has arranged for a separate audit of its federal awards in accordance with the Uniform Guidance.

### Disclaimer of Opinion on Child Care and Development Fund Cluster (93.575 Child Care and Development Block Grant and 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund)

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the compliance with the major program.

### **Adverse Opinion on 21.019 Coronavirus Relief Fund, 21.027 Coronavirus State and Local Fiscal Recovery Funds, and 93.558 Temporary Assistance for Needy Families**

In our opinion, because of the significance of the matter described in the Basis for Adverse, Qualified and Unmodified Opinion section of our report, on 21.019 Coronavirus Relief Fund, 21.027 Coronavirus State and Local Fiscal Recovery Funds, and 93.558 Temporary Assistance for Needy Families paragraph, the State did not comply, in all material respects, with the types of compliance requirements referred to below that could have a direct and material effect on the programs for the year ended June 30, 2021.

### **Qualified Opinion on 93.959 Block Grants for Prevention and Treatment of Substance Abuse**

In our opinion, except for the possible effects of the matter described in the Basis for Adverse, Qualified and Unmodified section of our report, the State complied, in all material respects, with the types of compliance requirements referred to that could have a direct and material effect on 93.959 Block Grants for Prevention and Treatment of Substance Abuse for the year ended June 30, 2021.

### **Unmodified Opinion on Each of the Other Major Federal Programs**

In our opinion, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2021.

### **Basis for Adverse, Qualified and Unmodified Opinions**

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

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

### **Basis for Disclaimer of Opinion on Child Care and Development Fund Cluster (93.575 Child Care and Development Block Grant and 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund)**

As described in Findings 2021-033, 2021-034, 2021-035, 2021-036, 2021-037, 2021-038, and 2021-039 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with accounting and other necessary requirements regarding its Child Care and Development Fund Cluster program for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility, Matching, Level of Effort, Earmarking, Period of Performance, Reporting, and Special Tests and Provisions – Health and Safety Standards. The State could not provide documentation necessary to determine compliance. Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

### **Matters Giving Rise to Disclaimer of Opinion on Child Care and Development Fund Cluster (93.575 Child Care and Development Block Grant and 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund)**

As we noted in Finding 2021-033, the State’s expenditure data for Child Care and Development Fund Cluster expenditures was inaccurate and determined unreliable for testing. As a result, we could not trace federal expenditures to a level adequate to establish whether the State’s expenditures of CCDF funds were in accordance with state and federal regulations. As a result, we were unable to test compliance with requirements for child care payments.

### **Matters Giving Rise to Adverse Opinion on 21.019 Coronavirus Relief Fund, 21.027 Coronavirus State and Local Fiscal Recovery Funds, and 93.558 Temporary Assistance for Needy Families**

As described in Findings 2021-012, 2021-013, 2021-014, 2021-015, and 2021-016 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with requirements regarding its Coronavirus Relief Fund program for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Reporting and Subrecipient Monitoring.

As described in Findings 2021-017, 2021-018, and 2021-019 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with requirements regarding its Coronavirus State and Local Fiscal Recovery Funds program for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Period of Performance, Procurement, Suspension and Debarment and Subrecipient Monitoring.

Additionally, as described in Findings 2021-027, 2021-028, and 2021-029 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with requirements regarding its Temporary Assistance for Needy Families program for Activities



Allowed or Unallowed, Allowable Costs/Cost Principles and Special Tests and Provisions – Child Support Non-Cooperation.

Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to those programs.

### **Matters Giving Rise to Qualified Opinion on 93.959 Block Grants for Prevention and Treatment of Substance Abuse**

As described in Findings 2021-055, 2021-056, 2021-057, 2021-058, 2021-059, 2021-060, and 2021-061 in the accompanying Schedule of Federal Award Findings and Questioned Costs, the State did not comply with requirements regarding its Block Grants for Prevention and Treatment of Substance Abuse program for Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Earmarking, Period of Performance, Reporting and Subrecipient Monitoring. Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

### **Responsibilities of Management for Compliance**

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

### **Auditor's Responsibilities for the Audit of Compliance**

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

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the State’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the State’s internal control over compliance. Accordingly, no such opinion is expressed; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Other Matters**

The results of our auditing procedures also disclosed instances of noncompliance with those requirements which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Federal Award Findings and Questioned Costs as Findings 2021-002, 2021-004, 2021-005, 2021-007, 2021-008, 2021-009, 2021-010, 2021-011, 2021-020, 2021-021, 2021-022, 2021-024, 2021-025, 2021-026, 2021-030, 2021-031, 2021-032, 2021-041, 2021-042, 2021-043, 2021-045, 2021-046, 2021-047, 2021-048, 2021-049, 2021-050, 2021-051, 2021-052, and 2021-054. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the State’s response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **State’s Response to Findings**

The State’s response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Federal Award Findings and Questioned Costs. The State’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the State is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the State's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Federal Award Findings and Questioned Costs as Findings 2021-002, 2021-003, 2021-004, 2021-005, 2021-006, 2021-007, 2021-008, 2021-009, 2021-010, 2021-011, 2021-012, 2021-013, 2021-014, 2021-015, 2021-016, 2021-017, 2021-018, 2021-019, 2021-020, 2021-021, 2021-022, 2021-024, 2021-025, 2021-026, 2021-028, 2021-029, , 2021-031, 2021-032, 2021-033, 2021-034, 2021-036, 2021-037, 2021-038, 2021-039, 2021-041, 2021-042, 2021-044, 2021-045, 2021-046, 2021-047, 2021-048, 2021-049, 2021-050, 2021-051, 2021-052, 2021-053, 2021-054, 2021-056, 2021-057, 2021-058, 2021-059, 2021-060 and 2021-061 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider deficiencies in internal control over compliance described in the accompanying Schedule of Federal Award

Findings and Questioned Costs as Findings 2021-023, 2021-027, 2021-035, 2021-040 and 2021-062 to be significant deficiencies.

### **State's Response to Findings**

The State's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Federal Award Findings and Questioned Costs. The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

*Government Auditing Standards* requires the auditor to perform limited procedures on the Agency's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The State's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

## **REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

We have audited the financial statements of the governmental entities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the State of Washington as of and for the year ended June 30, 2021, and have issued our report thereon dated December 21, 2021, 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 State's basic financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information

has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large, sweeping initial "P".

Pat McCarthy, State Auditor

Olympia, WA

August 8, 2022

# INDEPENDENT AUDITOR'S REPORT

## Report on the Audit of the Financial Statements

### State of Washington July 1, 2020 through June 30, 2021

The Honorable Jay Inslee  
State of Washington  
Olympia, Washington

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the State of Washington, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed on page 666.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Department of Retirement Systems, the Local Government Investment Pool, the University of Washington, or the funds managed by the State Investment Board. Those financial statements represent part or all of the total assets, net position, and revenues or additions of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information as follows:

Opinion Unit	Percent of Total Assets	Percent of Net Position	Percent of Revenues / Additions
Governmental Activities	13.7%	25.9%	8.4%
Business-Type Activities	81.0%	100.0%	19.8%
Higher Education Special Revenue Fund	46.7%	52.7%	49.3%

Higher Education Endowment Fund	97.5%	97.5%	97.2%
Higher Education Student Services Fund	71.8%	100.0%	86.1%
Workers' Compensation Fund	97.6%	100.0%	35.2%
Aggregate Discretely Presented Component Units and Remaining Fund Information	96.9%	96.1%	34.8%

Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the entities and funds listed above, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the State's preparation and fair presentation of the financial statements 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 State's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the State of Washington, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Matters of Emphasis**

As discussed in Note 1.D.1, the financial statements include pension trust fund investments valued at \$73.7 billion, which comprise 34.8 percent of the total assets and 38.1 percent of the net position of the aggregate discretely presented component units and remaining fund information. The fair values of those investments have been estimated by management in the absence of readily determinable fair values. Management's estimates are based upon information provided by the fund managers or, in the case of investments in partnerships, the general partners. Our opinion is not modified with respect to this matter.

As discussed in Note 2 to the financial statements, in 2021, the State adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2021 on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an



integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

December 21, 2021

## FINANCIAL SECTION

### State of Washington July 1, 2020 through June 30, 2021

#### REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis – 2021

#### BASIC FINANCIAL STATEMENTS

Statement of Net Position – 2021

Statement of Activities – 2021

Balance Sheet – Governmental Funds – 2021

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net  
Position – 2021

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental  
Funds – 2021

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and  
Changes in Fund Balances to the Statement of Activities – 2021

Statement of Net Position – Proprietary Funds – 2021

Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds –  
2021

Statement of Cash Flows – Proprietary Funds – 2021

Statement of Net Position – Fiduciary Funds – 2021

Statement of Changes in Net Position – Fiduciary Funds – 2021

Statement of Net Position – Component Units – 2021

Statement of Revenues, Expenses, and Changes in Net Position – Component Units – 2021

Notes to Financial Statements – 2021

#### REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule – General Fund – 2021

Budget to GAAP Reconciliation – General Fund – 2021

Budgetary Comparison Schedule – Higher Education Special Revenue Fund – 2021

Schedule of Changes in Net Pension Liability and Related Ratios – Washington State  
Patrol Retirement System – Plan 1/2, Judicial Retirement System, Judges Retirement  
Fund – 2021

Schedule of Employer Contributions – Washington State Patrol Retirement System –  
Plan 1/2, Judicial Retirement System, Judges Retirement Fund – 2021

Schedule of the State's Proportionate Share of the Net Pension Liability – PERS 1,  
PERS 2/3, TRS 1, TRS 2/3, PSERS 2, LEOFF 1, LEOFF 2 – 2021

Schedule of Employer Contributions – PERS 1, PERS 2/3, TRS 1, TRS 2/3, PSERS 2, LEOFF 2 – 2021

Schedule of Contributions – Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund – 2021

Schedule of Investment Returns – Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund – 2021

Schedule of Change in Net Pension Liability – Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund – 2021

Schedule of Net Pension Liability – Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund – 2021

Schedule of Contributions – Higher Education Supplemental Defined Benefit Plans – 2021

Schedule of Investment Returns – Higher Education Supplemental Defined Benefit Plans – 2021

Schedule of Changes in Total Pension Liability and Related Ratios – Higher Education Supplemental Defined Benefit Plans – University of Washington, Washington State University, Eastern Washington University, Central Washington University, The Evergreen State College, Western Washington University, State Board for Community and Technical Colleges – 2021

Schedule of Net Pension Liability – Higher Education Supplemental Defined Benefit Plans – University of Washington, Washington State University, Eastern Washington University, Central Washington University, The Evergreen State College, Western Washington University, State Board for Community and Technical Colleges – 2021

Schedule of Changes in Total OPEB Liability and Related Ratios – 2021

Infrastructure Modified Approach Information – 2021

## **SUPPLEMENTARY AND OTHER INFORMATION**

Schedule of Expenditures of Federal Awards – 2021

Notes to the Schedule of Expenditures of Federal Awards – 2021

**State of Washington**  
**Single Audit Report**  
**For Fiscal Year Ended**  
**June 30, 2021**

**Auditee's Section**  
**Schedule of Expenditures of Federal Awards**

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**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
10.025	Plant and Animal Disease, Pest Control, and Animal	1903AM01	3600	41,198	0	PT
10.025			3650	2,070,073	4,491	
10.025		139608001	3650	5,689	0	PT
10.025			4670	166,828	14,084	
10.025			4770	110,995	0	
10.025			4950	3,509,486	0	
<b>Federal Program 10.025 Total</b>				<b>5,904,269</b>	<b>18,575</b>	
10.069	Conservation Reserve Program		4710	371,468	371,468	
<b>Federal Program 10.069 Total</b>				<b>371,468</b>	<b>371,468</b>	
10.163	Market Protection and Promotion		4950	1,124,963	0	
<b>Federal Program 10.163 Total</b>				<b>1,124,963</b>	<b>0</b>	
10.164	Wholesale Farmers and Alternative Market Developmt	139503001	3650	29,792	0	PT
<b>Federal Program 10.164 Total</b>				<b>29,792</b>	<b>0</b>	
10.167	Transportation Services		3650	161,594	0	
<b>Federal Program 10.167 Total</b>				<b>161,594</b>	<b>0</b>	
10.170	Specialty Crop Block Grant Program - Farm Bill	A210144S002AM01	3600	14,792	0	PT
10.170		ORSO131825001	3650	11,250	0	PT
10.170			4950	3,687,196	3,192,491	
<b>Federal Program 10.170 Total</b>				<b>3,713,238</b>	<b>3,192,491</b>	
10.171	Organic Certification Cost Share Programs		4950	416,000	241,639	
<b>Federal Program 10.171 Total</b>				<b>416,000</b>	<b>241,639</b>	
10.174	Acer Access Development Program		3600	177,526	0	
<b>Federal Program 10.174 Total</b>				<b>177,526</b>	<b>0</b>	
10.175	Farmers Market and Local Food Promotion Program	AM190100XXXXG169	3650	29,282	0	PT
<b>Federal Program 10.175 Total</b>				<b>29,282</b>	<b>0</b>	
10.178	Trade Mitigation Program Eligible Recipient Agen		4950	718,028	718,028	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Agriculture**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 10.178 Total</b>				<b>718,028</b>	<b>718,028</b>	
10.217	Higher Education - Institution Challenge Grants Pr		3600	19,727	3,312	
10.217			3650	5,577	0	
10.217		UMS1210	3650	53,716	0	PT
<b>Federal Program 10.217 Total</b>				<b>79,020</b>	<b>3,312</b>	
10.223	Hispanic Serving Institutions Education Grants	201938422302121	3650	10,108	0	PT
10.223			6990	1,525	0	
<b>Federal Program 10.223 Total</b>				<b>11,633</b>	<b>0</b>	
10.253	Consumer Data and Nutrition Research		3600	10,673	0	
<b>Federal Program 10.253 Total</b>				<b>10,673</b>	<b>0</b>	
10.303	Integrated Programs		3650	159,880	24,494	
10.303		C0550AA	3650	29,707	0	PT
<b>Federal Program 10.303 Total</b>				<b>189,587</b>	<b>24,494</b>	
10.304	Homeland Security Agricultural		3650	41,478	0	
10.304		20160379404	3650	42,554	0	PT
<b>Federal Program 10.304 Total</b>				<b>84,032</b>	<b>0</b>	
10.309	Specialty Crop Research Initiative		3650	3,434,399	965,662	
10.309		2016149806	3650	65,660	0	PT
10.309		2017039813	3650	208,540	0	PT
10.309		2020004208	3650	153,950	0	PT
10.309		596338	3650	34,199	0	PT
10.309		7961110753	3650	222,020	0	PT
10.309		8198010924	3650	19,142	0	PT
10.309		9144702	3650	48,740	0	PT
10.309		9288420623	3650	26,188	0	PT
10.309		C0565BE	3650	35,860	0	PT
10.309		G18219W7553	3650	321,109	0	PT
10.309		H007082509	3650	20,613	0	PT
10.309		M2002895	3650	32,602	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
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**Federal Programs Not Clustered**

**Dept of Agriculture**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.309	Specialty Crop Research Initiative	RC104285L	3650	11,986	0	PT
10.309		RC106347WSU	3650	68,616	0	PT
10.309		RC111414F	3650	71,809	0	PT
10.309		RC111480WSU	3650	77,681	0	PT
10.309		S000224NIFA	3650	89,381	0	PT
10.309		S001381	3650	541	0	PT
10.309		SUB00002411	3650	18,661	0	PT
10.309		UFDSP00012310	3650	64,179	0	PT
<b>Federal Program 10.309 Total</b>				<b>5,025,876</b>	<b>965,662</b>	
10.328	National Food Safety Training, Education, Extension		3650	32,936	0	
10.328		C0537AB	3650	23,804	0	PT
<b>Federal Program 10.328 Total</b>				<b>56,740</b>	<b>0</b>	
10.329	Crop Protection and Pest Management Competitive Gr		3650	288,327	0	
<b>Federal Program 10.329 Total</b>				<b>288,327</b>	<b>0</b>	
10.330	Alfalfa and Forage Research Program		3650	324,250	43,222	
<b>Federal Program 10.330 Total</b>				<b>324,250</b>	<b>43,222</b>	
10.331	Food Insecurity Nutrition Incentive Grants Program		3030	50,851	43,296	
10.331		127670002	3650	51,551	0	PT
<b>Federal Program 10.331 Total</b>				<b>102,402</b>	<b>43,296</b>	
10.351	Rural Business Development Grant		1030	37,000	37,000	
10.351			6990	59,471	0	
<b>Federal Program 10.351 Total</b>				<b>96,471</b>	<b>37,000</b>	
10.460	Risk Management Education Partnerships		3650	(1,884)	0	
<b>Federal Program 10.460 Total</b>				<b>(1,884)</b>	<b>0</b>	
10.500	Cooperative Extension Service		3650	1,410,485	270,469	
10.500		A000983S067	3650	1,704	0	PT
10.500		A000983S082	3650	11,444	0	PT
10.500		A000983S091	3650	4,019	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Agriculture**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.500	Cooperative Extension Service	F9000067402012	3650	44,895	0	PT
10.500		F9001573902009	3650	38,591	0	PT
<b>Federal Program 10.500 Total</b>				<b>1,511,138</b>	<b>270,469</b>	
10.511	Smith-Lever Funding (Various Programs)		3650	5,187,800	0	
<b>Federal Program 10.511 Total</b>				<b>5,187,800</b>	<b>0</b>	
10.514	Expanded Food and Nutrition Education Program		3650	821,448	0	
<b>Federal Program 10.514 Total</b>				<b>821,448</b>	<b>0</b>	
10.515	Renewable Resources Extension Act and National FOC		3650	151,018	0	
<b>Federal Program 10.515 Total</b>				<b>151,018</b>	<b>0</b>	
10.519	Equipment Grants Program (EGP)		3600	111,380	0	
<b>Federal Program 10.519 Total</b>				<b>111,380</b>	<b>0</b>	
10.525	Farm and Ranch Stress Assistance Network Competiti		3650	418,280	249,837	
<b>Federal Program 10.525 Total</b>				<b>418,280</b>	<b>249,837</b>	
10.527	New Beginnings for Tribal Students		3650	54,877	0	
<b>Federal Program 10.527 Total</b>				<b>54,877</b>	<b>0</b>	
10.535	SNAP Fraud Framework Implementation Grant		3000	147,591	0	
<b>Federal Program 10.535 Total</b>				<b>147,591</b>	<b>0</b>	
10.542	COVID-19 – Pandemic EBT Food Benefits		3000	434,334,240	0	NC
<b>Federal Program 10.542 Total</b>				<b>434,334,240</b>	<b>0</b>	
10.557	WIC Special Supplemental Nutrition Program for Wom		3030	72,885,923	25,247,597	
10.557	COVID-19 – WIC Special Supplemental Nutrition Program for Wom		3030	10,652,187	3,987,123	
<b>Federal Program 10.557 Total</b>				<b>83,538,110</b>	<b>29,234,720</b>	
10.558	Child and Adult Care Food Program		3500	24,947,227	24,176,397	
10.558	COVID-19 – Child and Adult Care Food Program		3500	6,707,734	6,707,734	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Federal Programs Not Clustered**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 10.558 Total</b>				<b>31,654,961</b>	<b>30,884,131</b>	
10.560	State Administrative Expenses for Child Nutrition		3500	3,652,332	0	
<b>Federal Program 10.560 Total</b>				<b>3,652,332</b>	<b>0</b>	
10.572	WIC Farmers' Market Nutrition Program (FMNP)		3030	451,288	318,375	
<b>Federal Program 10.572 Total</b>				<b>451,288</b>	<b>318,375</b>	
10.574	Team Nutrition Grants		3500	26,799	0	
<b>Federal Program 10.574 Total</b>				<b>26,799</b>	<b>0</b>	
10.575	Farm to School Grant Program	CNF2SIMPL20WA3	3650	2,506	0	PT
10.575			4950	12,536	0	
<b>Federal Program 10.575 Total</b>				<b>15,042</b>	<b>0</b>	
10.576	Senior Farmers Market Nutrition Program		3000	232,957	4,927	
<b>Federal Program 10.576 Total</b>				<b>232,957</b>	<b>4,927</b>	
10.582	Fresh Fruit and Vegetable Program		3500	2,908,548	2,866,980	
<b>Federal Program 10.582 Total</b>				<b>2,908,548</b>	<b>2,866,980</b>	
10.604	Technical Assistance for Specialty Crops Program		3650	5,260	0	
10.604		500625SUB01	3650	64,073	0	PT
10.604		ORSO130051	3650	105,982	0	PT
10.604		TASC201809	3650	58,467	0	PT
<b>Federal Program 10.604 Total</b>				<b>233,782</b>	<b>0</b>	
10.649	COVID-19 – Pandemic EBT Administrative Costs		3000	10,297,816	0	
<b>Federal Program 10.649 Total</b>				<b>10,297,816</b>	<b>0</b>	
10.664	Cooperative Forestry Assistance	E1972	3600	100,000	0	PT
10.664			4900	4,048,254	3,095	
<b>Federal Program 10.664 Total</b>				<b>4,148,254</b>	<b>3,095</b>	
10.674	Wood Utilization Assistance		3600	129,058	0	
10.674		WAS210106010WOODINN	3600	4,406	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
10.674	Wood Utilization Assistance		3650	105,648	0	
10.674		0100	3650	11,133	0	PT
<b>Federal Program 10.674 Total</b>				<b>250,245</b>	<b>0</b>	
10.676	Forest Legacy Program		4900	7,113,167	0	
<b>Federal Program 10.676 Total</b>				<b>7,113,167</b>	<b>0</b>	
10.684	International Forestry Programs		3600	7,900	0	
10.684		HV72AM01	3600	18,826	0	PT
<b>Federal Program 10.684 Total</b>				<b>26,726</b>	<b>0</b>	
10.691	Good Neighbor Authority		4770	214,178	0	
10.691			4900	730,576	0	
<b>Federal Program 10.691 Total</b>				<b>944,754</b>	<b>0</b>	
10.697	State & Private Forestry Hazardous Fuel Reduction		4900	415,576	0	
<b>Federal Program 10.697 Total</b>				<b>415,576</b>	<b>0</b>	
10.699	Partnership Agreements		3750	5,935	0	
<b>Federal Program 10.699 Total</b>				<b>5,935</b>	<b>0</b>	
10.707	Research Joint Venture and Cost Reimbursable Agree		3650	91,176	0	
10.707			3800	32,217	0	
<b>Federal Program 10.707 Total</b>				<b>123,393</b>	<b>0</b>	
10.777	Norman E. Borlaug International Agricultural Science		3650	31,608	0	
<b>Federal Program 10.777 Total</b>				<b>31,608</b>	<b>0</b>	
10.855	Distance Learning and Telemedicine Loans and Grant		3600	192,224	0	
<b>Federal Program 10.855 Total</b>				<b>192,224</b>	<b>0</b>	
10.902	Soil and Water Conservation		3650	26,906	0	
10.902			4710	38,514	38,514	
<b>Federal Program 10.902 Total</b>				<b>65,420</b>	<b>38,514</b>	
10.912	Environmental Quality Incentives Program		3650	101,623	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
10.912	Environmental Quality Incentives Program	137312001	3650	16,574	0	PT
10.912			4710	21,634	21,634	
<b>Federal Program 10.912 Total</b>				<b>139,831</b>	<b>21,634</b>	
10.924	Conservation Stewardship Program		4710	572	572	
<b>Federal Program 10.924 Total</b>				<b>572</b>	<b>572</b>	
10.932	Regional Conservation Partnership Program		4710	51,797	51,797	
10.932			4770	275,862	0	
<b>Federal Program 10.932 Total</b>				<b>327,659</b>	<b>51,797</b>	
10.960	Technical Agricultural Assistance		3650	540,609	100,000	
<b>Federal Program 10.960 Total</b>				<b>540,609</b>	<b>100,000</b>	
10.U01	Agriculture - Unknown CFDA Number	139582001	3650	6,887	0	
<b>Federal Program 10.U01 Total</b>				<b>6,887</b>	<b>0</b>	
10.U02	Agriculture - Unknown CFDA Number	19CR11221632166	3650	14,400	0	
<b>Federal Program 10.U02 Total</b>				<b>14,400</b>	<b>0</b>	
10.U03	Agriculture - Unknown CFDA Number	19CR11221633179	3650	8,162	0	
<b>Federal Program 10.U03 Total</b>				<b>8,162</b>	<b>0</b>	
10.U04	Agriculture - Unknown CFDA Number	19JV11221633189	3650	51,131	0	
<b>Federal Program 10.U04 Total</b>				<b>51,131</b>	<b>0</b>	
10.U05	Agriculture - Unknown CFDA Number	19JV11221634163	3650	37,878	0	
<b>Federal Program 10.U05 Total</b>				<b>37,878</b>	<b>0</b>	
10.U06	Agriculture - Unknown CFDA Number	19JV11221636187	3650	3,888	0	
<b>Federal Program 10.U06 Total</b>				<b>3,888</b>	<b>0</b>	
10.U07	Agriculture - Unknown CFDA Number	19JV11261944119	3650	165	0	
<b>Federal Program 10.U07 Total</b>				<b>165</b>	<b>0</b>	
10.U08	Agriculture - Unknown CFDA Number	20195118130013	3650	37,313	0	
<b>Federal Program 10.U08 Total</b>				<b>37,313</b>	<b>0</b>	
10.U09	Agriculture - Unknown CFDA Number	20204610032837	3650	78,997	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 10.U09 Total</b>				<b>78,997</b>	<b>0</b>	
10.U10	Agriculture - Unknown CFDA Number	20JV11221633148	3650	3,154	0	
<b>Federal Program 10.U10 Total</b>				<b>3,154</b>	<b>0</b>	
10.U11	Agriculture - Unknown CFDA Number	20JV11261985044	3650	25,279	0	
<b>Federal Program 10.U11 Total</b>				<b>25,279</b>	<b>0</b>	
10.U12	Agriculture - Unknown CFDA Number	20JV11272138038	3650	46,834	0	
<b>Federal Program 10.U12 Total</b>				<b>46,834</b>	<b>0</b>	
10.U13	Agriculture - Unknown CFDA Number	20TMSDWA0007	3650	6,484	0	
<b>Federal Program 10.U13 Total</b>				<b>6,484</b>	<b>0</b>	
10.U14	Agriculture - Unknown CFDA Number	20TMTSDWA0014	3650	52,827	0	
<b>Federal Program 10.U14 Total</b>				<b>52,827</b>	<b>0</b>	
10.U15	Agriculture - Unknown CFDA Number	21CS11060300001	3650	2,220	0	
<b>Federal Program 10.U15 Total</b>				<b>2,220</b>	<b>0</b>	
10.U16	Agriculture - Unknown CFDA Number	16-CS-11010400-038	4770	5,324	0	
10.U16		17-PA-11062754-038	4770	1,942	0	
10.U16		20-CS-11060900-009	4770	10,558	0	
10.U16		20-GN-11062754-025	4770	12,586	0	
10.U16		Mitigation Agreement	4770	37,726	0	
<b>Federal Program 10.U16 Total</b>				<b>68,136</b>	<b>0</b>	
10.U17	Agriculture - Unknown CFDA Number	21CS11061200003	3650	16,196	0	
<b>Federal Program 10.U17 Total</b>				<b>16,196</b>	<b>0</b>	
10.U18	Agriculture - Unknown CFDA Number	5820909036	3650	(369)	0	
<b>Federal Program 10.U18 Total</b>				<b>(369)</b>	<b>0</b>	
10.U19	Agriculture - Unknown CFDA Number	WSU002935	3650	1,355	0	
<b>Federal Program 10.U19 Total</b>				<b>1,355</b>	<b>0</b>	
<b>Dept of Agriculture Total</b>				<b>609,449,604</b>	<b>69,704,238</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Commerce**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
11.011	Ocean Exploration		3600	99,183	0	
11.011		18120501	3600	44,758	0	PT
11.011		24185600AM01	3600	26,283	0	PT
11.011		80000948201UG000120AM	3600	37,589	0	PT
<b>Federal Program 11.011 Total</b>				<b>207,813</b>	<b>0</b>	
11.012	Integrated Ocean Observing System (IOSS)		3600	3,574,667	1,985,150	
11.012		A190200S001P0693599AM0	3600	39,440	0	PT
11.012		H240063AM08	3600	38,417	0	PT
11.012		H249303AM01	3600	397	0	PT
11.012		UAF150085AM04	3600	57,328	0	PT
<b>Federal Program 11.012 Total</b>				<b>3,710,249</b>	<b>1,985,150</b>	
11.017	Ocean Acidification Program		3600	148,000	28	
<b>Federal Program 11.017 Total</b>				<b>148,000</b>	<b>28</b>	
11.020	Cluster Grants		1030	6,033	0	
11.020		A154950	3600	20,870	0	PT
11.020		UW661740	3600	7,869	0	PT
<b>Federal Program 11.020 Total</b>				<b>34,772</b>	<b>0</b>	
11.022	Bipartisan Budget Act of 2018		3600	133,576	0	
<b>Federal Program 11.022 Total</b>				<b>133,576</b>	<b>0</b>	
11.303	Economic Development Technical Assistance		3600	100,000	0	
11.303			3650	49,088	0	
<b>Federal Program 11.303 Total</b>				<b>149,088</b>	<b>0</b>	
11.407	Interjurisdictional Fisheries Act of 1986	20-37G	4770	15,644	0	PT
11.407		20-38G	4770	1,027	0	PT
11.407		PSMFC# 20-126G	4770	71,212	0	PT
11.407		PSMFC# 20-76G	4770	87,720	0	PT
11.407		PSMFC# 21-038G	4770	46,316	0	PT
11.407		SF-2018-SP-22	4770	8,655	0	PT
11.407		SF-2019-SP-11	4770	76,612	0	PT
11.407		SF-2019-SP-3A	4770	12,335	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Commerce**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 11.407 Total</b>				<b>319,521</b>	<b>0</b>	
11.419	Coastal Zone Management Administration Awards	SUBK00014242	3600	4,934	0	PT
11.419		SUBK00014242	3800	24,156	0	PT
11.419			4610	2,516,590	0	
<b>Federal Program 11.419 Total</b>				<b>2,545,680</b>	<b>0</b>	
11.429	Marine Sanctuary Program		3600	31,362	0	
<b>Federal Program 11.429 Total</b>				<b>31,362</b>	<b>0</b>	
11.436	Columbia River Fisheries Development Program		4670	283,617	0	
11.436			4770	6,317,032	0	
<b>Federal Program 11.436 Total</b>				<b>6,600,649</b>	<b>0</b>	
11.437	Pacific Fisheries Data Program	2027GAM01	3600	2	0	PT
11.437		2059GAM01	3600	42,122	0	PT
11.437		21031G	3600	179,909	0	PT
11.437		20-43G	4770	54,086	0	PT
11.437		PSMFC #20-13G	4770	29,582	0	PT
11.437		PSMFC #20-55G	4770	19,710	0	PT
11.437		PSMFC #21-28G	4770	17,361	0	PT
11.437		PSMFC# 19-23G	4770	370,011	0	PT
11.437		PSMFC# 19-50G	4770	16,636	0	PT
<b>Federal Program 11.437 Total</b>				<b>729,419</b>	<b>0</b>	
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treat	1707AREV01	3600	30,442	0	PT
11.438			4670	19,618,277	13,456,714	
11.438			4770	3,556,122	0	
<b>Federal Program 11.438 Total</b>				<b>23,204,841</b>	<b>13,456,714</b>	
11.439	Marine Mammal Data Program		4770	90,452	0	
11.439		20-60G	4770	44,692	0	PT
11.439		21-035G	4770	479	0	PT
<b>Federal Program 11.439 Total</b>				<b>135,623</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Dept of Commerce**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
11.441	Regional Fishery Management Councils	LIA2020-03	4770	54,645	0	PT
<b>Federal Program 11.441 Total</b>				<b>54,645</b>	<b>0</b>	
11.454	Unallied Management Projects		3600	78,618	0	
<b>Federal Program 11.454 Total</b>				<b>78,618</b>	<b>0</b>	
11.463	Habitat Conservation	S20170118	3650	324,958	0	PT
11.463			4770	359,681	0	
<b>Federal Program 11.463 Total</b>				<b>684,639</b>	<b>0</b>	
11.473	Office for Coastal Management		4610	37,380	0	
11.473		0318.19.065579	4610	97,023	0	PT
11.473		Grant ID 0318.18.06258	4770	29,604	0	PT
<b>Federal Program 11.473 Total</b>				<b>164,007</b>	<b>0</b>	
11.478	Center for Sponsored Coastal Ocean Research_Coasta		3600	1,017,103	353,898	
11.478		A101508	3600	5,433	0	PT
11.478		NA355AA	3600	58,428	0	PT
11.478		UW664469	3600	2,086	0	PT
<b>Federal Program 11.478 Total</b>				<b>1,083,050</b>	<b>353,898</b>	
11.482	Coral Reef Conservation Program		3650	18,151	0	
<b>Federal Program 11.482 Total</b>				<b>18,151</b>	<b>0</b>	
11.619	Arrangements for Interdisciplinary Research Infrs	G007451AM05	3600	(202)	0	PT
<b>Federal Program 11.619 Total</b>				<b>(202)</b>	<b>0</b>	
11.U01	Commerce - Unknown CFDA Number	0201.20.065209	4610	42,555	0	PT
<b>Federal Program 11.U01 Total</b>				<b>42,555</b>	<b>0</b>	
11.U02	Commerce - Unknown CFDA Number	11.405	6990	533,500	0	
<b>Federal Program 11.U02 Total</b>				<b>533,500</b>	<b>0</b>	
11.U03	Commerce - Unknown CFDA Number	11.552	6990	100,000	0	
<b>Federal Program 11.U03 Total</b>				<b>100,000</b>	<b>0</b>	
11.U04	Commerce - Unknown CFDA Number	None	6990	47,263	0	PT
<b>Federal Program 11.U04 Total</b>				<b>47,263</b>	<b>0</b>	
<b>Dept of Commerce Total</b>				<b>40,756,819</b>	<b>15,795,790</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
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**Federal Programs Not Clustered**

**Dept of Defense**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
12.010	Youth Conservation Services		4610	8,910	0	
<b>Federal Program 12.010 Total</b>				<b>8,910</b>	<b>0</b>	
12.112	Payments to States in Lieu of Real Estate Taxes		0050	27,011	0	
<b>Federal Program 12.112 Total</b>				<b>27,011</b>	<b>0</b>	
12.130	Estuary Habitat Restoration Program		4900	158,711	0	
<b>Federal Program 12.130 Total</b>				<b>158,711</b>	<b>0</b>	
12.355	Pest Management and Vector Control Research		3650	3,551	0	
12.355		135993001	3650	37,805	0	PT
<b>Federal Program 12.355 Total</b>				<b>41,356</b>	<b>0</b>	
12.400	Military Construction, National Guard		2450	14,676,170	0	
<b>Federal Program 12.400 Total</b>				<b>14,676,170</b>	<b>0</b>	
12.401	National Guard Military Operations and Maintenance		2450	21,861,292	377	
<b>Federal Program 12.401 Total</b>				<b>21,861,292</b>	<b>377</b>	
12.404	National Guard Challenge Program		2450	5,098,073	169	
<b>Federal Program 12.404 Total</b>				<b>5,098,073</b>	<b>169</b>	
12.550	The Language Flagship Grants to Institutions of Hi	0054UW25CHN280PO1MO	3600	236,019	0	PT
12.550		0054UW25SSC280PO2	3600	23,000	0	PT
12.550		BOR21UW21CHNPO1	3600	18,509	0	PT
<b>Federal Program 12.550 Total</b>				<b>277,528</b>	<b>0</b>	
12.610	Community Economic Adjustment Assistance for Compa		1030	336,221	0	
<b>Federal Program 12.610 Total</b>				<b>336,221</b>	<b>0</b>	
12.617	Economic Adjustment Assistance for State Government		1030	911,999	901,903	
<b>Federal Program 12.617 Total</b>				<b>911,999</b>	<b>901,903</b>	
12.632	Legacy Resource Management Program		3650	18,483	0	
<b>Federal Program 12.632 Total</b>				<b>18,483</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Defense**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
12.750	Uniformed Services University Medical Research Pro		3600	138,060	0	
12.750		4771PO960154AM02	3600	32,613	0	PT
12.750		5414PO1001209	3600	51,810	0	PT
12.750		S1115001	3600	19,772	0	PT
12.750		HU00011810043	3650	67,974	0	PT
<b>Federal Program 12.750 Total</b>				<b>310,229</b>	<b>0</b>	
12.900	Language Grant Program		3600	24,466	0	
<b>Federal Program 12.900 Total</b>				<b>24,466</b>	<b>0</b>	
12.903	Gencyber Grants Program		3600	29,047	0	
12.903			6990	15,323	0	
<b>Federal Program 12.903 Total</b>				<b>44,370</b>	<b>0</b>	
12.905	Cybersecurity CORE Curriculum		3600	14,718	0	
<b>Federal Program 12.905 Total</b>				<b>14,718</b>	<b>0</b>	
<b>Dept of Defense Total</b>				<b>43,809,537</b>	<b>902,449</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Housing & Urban Development**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
14.169	Housing Counseling Assistance Program		1480	272,826	238,192	
14.169			2350	85,789	0	
<b>Federal Program 14.169 Total</b>				<b>358,615</b>	<b>238,192</b>	
14.228	Community Development Block Grants/State's Program		1030	10,356,633	10,161,463	
14.228	COVID-19 – Community Development Block Grants/State's Program		1030	2,358,050	1,785,414	
<b>Federal Program 14.228 Total</b>				<b>12,714,683</b>	<b>11,946,877</b>	
14.231	Emergency Solutions Grant Program		1030	2,406,183	2,406,183	
14.231	COVID-19 – Emergency Solutions Grant Program		1030	7,642,018	7,360,629	
<b>Federal Program 14.231 Total</b>				<b>10,048,201</b>	<b>9,766,812</b>	
14.239	Home Investment Partnerships Program		1030	1,762,227	1,375,505	
14.239		PBEL2021	1480	88,304	88,304	PT
<b>Federal Program 14.239 Total</b>				<b>1,850,531</b>	<b>1,463,809</b>	
14.241	Housing Opportunities for Persons With AIDS		3030	1,542,320	1,501,798	
<b>Federal Program 14.241 Total</b>				<b>1,542,320</b>	<b>1,501,798</b>	
14.267	Continuum of Care Program		1030	337,295	0	
<b>Federal Program 14.267 Total</b>				<b>337,295</b>	<b>0</b>	
14.275	Housing Trust Fund		1030	6,415,158	6,034,420	
<b>Federal Program 14.275 Total</b>				<b>6,415,158</b>	<b>6,034,420</b>	
14.276	Youth Homelessness Demonstration Program		1030	632,592	530,129	
<b>Federal Program 14.276 Total</b>				<b>632,592</b>	<b>530,129</b>	
14.326	Project Rental Assistance Demonstration Prog S 811		1030	1,064,182	1,052,287	
<b>Federal Program 14.326 Total</b>				<b>1,064,182</b>	<b>1,052,287</b>	
14.401	Fair Housing Assistance Program State and Local		1200	512,929	0	
14.401	COVID-19 – Fair Housing Assistance Program State and Local		1200	106,816	0	
<b>Federal Program 14.401 Total</b>				<b>619,745</b>	<b>0</b>	
<b>Housing &amp; Urban Development Total</b>				<b>35,583,322</b>	<b>32,534,324</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Dept of the Interior**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.036	Indian Rights Protection	V21-12	4770	5,755	0	PT
<b>Federal Program 15.036 Total</b>				<b>5,755</b>	<b>0</b>	
15.114	Indian Education Higher Education Grant		3650	711,682	0	
<b>Federal Program 15.114 Total</b>				<b>711,682</b>	<b>0</b>	
15.156	Tribal Climate Resilience	1904068AM02	3600	(69,998)	0	PT
15.156		AM02	3600	656	0	PT
15.156		UW807433	3600	25,541	0	PT
<b>Federal Program 15.156 Total</b>				<b>(43,801)</b>	<b>0</b>	
15.224	Cultural and Paleontological Resource Management		3650	19,545	0	
<b>Federal Program 15.224 Total</b>				<b>19,545</b>	<b>0</b>	
15.225	Recreation and Visitor Services		3650	90,099	0	
<b>Federal Program 15.225 Total</b>				<b>90,099</b>	<b>0</b>	
15.226	Payments in Lieu of Taxes		0050	5,095,660	0	
<b>Federal Program 15.226 Total</b>				<b>5,095,660</b>	<b>0</b>	
15.227	Distribution of Receipts to State and Local Govern		0050	22,355	0	
15.227			0900	0	(11)	
<b>Federal Program 15.227 Total</b>				<b>22,355</b>	<b>(11)</b>	
15.230	Invasive and Noxious Plant Management		4950	31,594	29,352	
<b>Federal Program 15.230 Total</b>				<b>31,594</b>	<b>29,352</b>	
15.231	Fish, Wildlife and Plant Conservation Resource Man		3600	93,692	0	
<b>Federal Program 15.231 Total</b>				<b>93,692</b>	<b>0</b>	
15.232	Joint Fire Science Program		3600	13,926	0	
15.232			3650	9,707	0	
15.232		NS1387SB651835	3650	16,172	0	PT
<b>Federal Program 15.232 Total</b>				<b>39,805</b>	<b>0</b>	
15.243	Youth Conservation Opportunities on Public Lands		4610	68,235	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of the Interior**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 15.243 Total</b>				<b>68,235</b>	<b>0</b>	
15.244	Fisheries and Aquatic Resources Management		4770	18,507	0	
<b>Federal Program 15.244 Total</b>				<b>18,507</b>	<b>0</b>	
15.245	Plant Conservation and Restoration Management		3600	40,852	0	
15.245			4900	1,191	0	
<b>Federal Program 15.245 Total</b>				<b>42,043</b>	<b>0</b>	
15.246	Threatened and Endangered Species		3600	30,033	0	
<b>Federal Program 15.246 Total</b>				<b>30,033</b>	<b>0</b>	
15.247	Wildlife Resource Management		4770	22,943	0	
<b>Federal Program 15.247 Total</b>				<b>22,943</b>	<b>0</b>	
15.423	Bureau of Ocean Energy Management (BOEM) Environme	A9499	3600	45,379	0	PT
15.423		UAF180058	3600	45,714	0	PT
15.423		UAF180058AM01P0521289	3600	21,389	0	PT
<b>Federal Program 15.423 Total</b>				<b>112,482</b>	<b>0</b>	
15.507	Watersmart (Sustaining and Manage America's Resou	14839	3750	1,283	0	PT
<b>Federal Program 15.507 Total</b>				<b>1,283</b>	<b>0</b>	
15.512	Central Valley Improvement Act, Title XXXIV		3600	157,301	0	
<b>Federal Program 15.512 Total</b>				<b>157,301</b>	<b>0</b>	
15.517	Fish and Wildlife Coordination Act		3600	307,759	0	
15.517			4670	11,222	0	
15.517			4770	565,774	0	
<b>Federal Program 15.517 Total</b>				<b>884,755</b>	<b>0</b>	
15.524	Recreation Resources Management		4770	48,169	0	
<b>Federal Program 15.524 Total</b>				<b>48,169</b>	<b>0</b>	
15.531	Yakima River Basin Water Enhancement Project (YRBW)		4610	45,330	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of the Interior**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 15.531 Total</b>				<b>45,330</b>	<b>0</b>	
15.557	Applied Science Grants		3650	10,301	0	
<b>Federal Program 15.557 Total</b>				<b>10,301</b>	<b>0</b>	
15.608	Fish and Wildlife Management Assistance		4770	71,568	0	
15.608		80-888-3052	4770	80	0	PT
15.608		F19AC00507	4770	4,288	0	PT
15.608			4900	14,554	0	
<b>Federal Program 15.608 Total</b>				<b>90,490</b>	<b>0</b>	
15.614	Coastal Wetlands Planning, Protection and Restorat		4610	5,301,823	4,293,085	
15.614			4770	45,187	0	
15.614			4900	75,773	0	
<b>Federal Program 15.614 Total</b>				<b>5,422,783</b>	<b>4,293,085</b>	
15.615	Cooperative Endangered Species Conservation Fund	438401OC	3600	17,416	0	PT
15.615		697144OMAM01	3600	4,799	0	PT
15.615		697144OMAM02	3600	259,665	0	PT
15.615			4770	865,340	0	
15.615			4900	5,132,144	4,768	
<b>Federal Program 15.615 Total</b>				<b>6,279,364</b>	<b>4,768</b>	
15.616	Clean Vessel Act		4650	1,016,806	0	
<b>Federal Program 15.616 Total</b>				<b>1,016,806</b>	<b>0</b>	
15.622	Sportfishing and Boating Safety Act		4670	62,243	59,780	
<b>Federal Program 15.622 Total</b>				<b>62,243</b>	<b>59,780</b>	
15.623	North American Wetlands Conservation Fund	WA-331-6	4770	3,360	0	PT
<b>Federal Program 15.623 Total</b>				<b>3,360</b>	<b>0</b>	
15.630	Coastal		4650	10,413	0	
15.630			4770	19,646	0	
<b>Federal Program 15.630 Total</b>				<b>30,059</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of the Interior**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.631	Partners for Fish and Wildlife		3650	(50)	0	
15.631			4670	539,373	62,725	
15.631			4770	850,206	0	
<b>Federal Program 15.631 Total</b>				<b>1,389,529</b>	<b>62,725</b>	
15.633	Landowner Incentive Program	Agreement	4770	61,722	0	PT
<b>Federal Program 15.633 Total</b>				<b>61,722</b>	<b>0</b>	
15.634	State Wildlife Grants	9554	3650	4,957	0	PT
15.634			4770	1,445,992	0	
15.634		Agreement	4770	193	0	PT
15.634		IDFW-FY18-198	4770	29,873	0	PT
<b>Federal Program 15.634 Total</b>				<b>1,481,015</b>	<b>0</b>	
15.648	Central Valley Project Improvement (CVPI) Anadromo		3600	84,873	0	
<b>Federal Program 15.648 Total</b>				<b>84,873</b>	<b>0</b>	
15.652	Invasive Species		4770	7,151	0	
<b>Federal Program 15.652 Total</b>				<b>7,151</b>	<b>0</b>	
15.654	National Wildlife Refuge System Enhancements		3600	6,905	0	
15.654		19-11899	3760	33,839	0	PT
15.654			4610	158,405	0	
<b>Federal Program 15.654 Total</b>				<b>199,149</b>	<b>0</b>	
15.657	Endangered Species Recovery Implementation		3600	309,894	0	
15.657			3650	10,016	0	
15.657		21-16682	3760	10,470	0	PT
15.657			4770	450,276	0	
<b>Federal Program 15.657 Total</b>				<b>780,656</b>	<b>0</b>	
15.660	Candidate Species Conservation		4900	1,660	0	
<b>Federal Program 15.660 Total</b>				<b>1,660</b>	<b>0</b>	
15.661	Lower Snake River Compensation Plan		4770	3,900,361	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of the Interior**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 15.661 Total</b>				<b>3,900,361</b>	<b>0</b>	
15.663	NFWF-USFWS Conservation Partnership	080918060960	3650	10,308	0	PT
<b>Federal Program 15.663 Total</b>				<b>10,308</b>	<b>0</b>	
15.666	Endangered Species Conservation-Wolf Livestock Los		4770	142,122	0	
<b>Federal Program 15.666 Total</b>				<b>142,122</b>	<b>0</b>	
15.670	Adaptive Science		4770	270,926	0	
<b>Federal Program 15.670 Total</b>				<b>270,926</b>	<b>0</b>	
15.678	Cooperative Ecosystem Studies Unit		3600	24,743	0	
15.678			3650	291,679	0	
<b>Federal Program 15.678 Total</b>				<b>316,422</b>	<b>0</b>	
15.683	Prescott Marine Mammal Rescue Assistance		4770	13,102	0	
<b>Federal Program 15.683 Total</b>				<b>13,102</b>	<b>0</b>	
15.684	White-Nose Syndrome National Response Implementati		4770	9,009	0	
<b>Federal Program 15.684 Total</b>				<b>9,009</b>	<b>0</b>	
15.810	National Cooperative Geologic Mapping Program		3800	8,105	0	
15.810			4900	169,467	0	
<b>Federal Program 15.810 Total</b>				<b>177,572</b>	<b>0</b>	
15.814	National Geological and Geophysical Data Preservat		4900	69,847	0	
<b>Federal Program 15.814 Total</b>				<b>69,847</b>	<b>0</b>	
15.820	National and Regional Climate Adaptation Science C		3600	1,424,472	524,021	
<b>Federal Program 15.820 Total</b>				<b>1,424,472</b>	<b>524,021</b>	
15.904	Historic Preservation Fund Grants-in-Aid		3550	1,056,550	0	
<b>Federal Program 15.904 Total</b>				<b>1,056,550</b>	<b>0</b>	
15.916	Outdoor Recreation_Acquisition, Development and Pl		4670	1,031,154	660,352	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of the Interior**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 15.916 Total</b>				<b>1,031,154</b>	<b>660,352</b>	
15.921	Rivers, Trails and Conservation Assistance		4050	61,365	0	
<b>Federal Program 15.921 Total</b>				<b>61,365</b>	<b>0</b>	
15.931	Conservation Activities By Youth Service Organizat		4610	198,269	0	
<b>Federal Program 15.931 Total</b>				<b>198,269</b>	<b>0</b>	
15.946	Cultural Resources Management		3600	9,930	0	
<b>Federal Program 15.946 Total</b>				<b>9,930</b>	<b>0</b>	
15.980	National Ground-Water Monitoring Network		4610	123,655	0	
15.980			4900	43,895	0	
<b>Federal Program 15.980 Total</b>				<b>167,550</b>	<b>0</b>	
15.U01	BIA/BIE - Unknown CFDA Number	140L3720F0187	3700	31,786	0	
<b>Federal Program 15.U01 Total</b>				<b>31,786</b>	<b>0</b>	
15.U02	BIA/BIE - Unknown CFDA Number	140L4319D0023	3700	23,696	0	
<b>Federal Program 15.U02 Total</b>				<b>23,696</b>	<b>0</b>	
15.U03	BIA/BIE - Unknown CFDA Number	140L4319F0125	3700	(408)	0	
<b>Federal Program 15.U03 Total</b>				<b>(408)</b>	<b>0</b>	
15.U04	BIA/BIE - Unknown CFDA Number	140L4319F0152	3700	36	0	
<b>Federal Program 15.U04 Total</b>				<b>36</b>	<b>0</b>	
15.U05	BIA/BIE - Unknown CFDA Number	140L4319F0162	3700	59	0	
<b>Federal Program 15.U05 Total</b>				<b>59</b>	<b>0</b>	
15.U06	BIA/BIE - Unknown CFDA Number	140L4319F0189	3700	(3,883)	0	
<b>Federal Program 15.U06 Total</b>				<b>(3,883)</b>	<b>0</b>	
15.U07	BIA/BIE - Unknown CFDA Number	140L4320F0113	3700	55,725	0	
<b>Federal Program 15.U07 Total</b>				<b>55,725</b>	<b>0</b>	
15.U08	BIA/BIE - Unknown CFDA Number	140L4321F0065	3700	2,006	0	
<b>Federal Program 15.U08 Total</b>				<b>2,006</b>	<b>0</b>	
15.U09	BIA/BIE - Unknown CFDA Number	Agreement	4770	161,466	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of the Interior**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 15.U09 Total</b>				<b>161,466</b>	<b>0</b>	
15.U10	BIA/BIE - Unknown CFDA Number	14-06-100-1137	4770	119,617	0	
<b>Federal Program 15.U10 Total</b>				<b>119,617</b>	<b>0</b>	
15.U11	BIA/BIE - Unknown CFDA Number	128572011	3650	6,381	0	PT
<b>Federal Program 15.U11 Total</b>				<b>6,381</b>	<b>0</b>	
15.U12	BIA/BIE - Unknown CFDA Number	137856001	3650	9,979	0	
<b>Federal Program 15.U12 Total</b>				<b>9,979</b>	<b>0</b>	
15.U13	BIA/BIE - Unknown CFDA Number	WSU004079	3650	25	0	
<b>Federal Program 15.U13 Total</b>				<b>25</b>	<b>0</b>	
15.U14	BIA/BIE - Unknown CFDA Number	WSU004154	3650	1	0	
<b>Federal Program 15.U14 Total</b>				<b>1</b>	<b>0</b>	
<b>Dept of the Interior Total</b>				<b>33,684,073</b>	<b>5,634,072</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Justice**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
16.013	Violence Against Women Act Court Training and Impr		6990	41,974	0	
<b>Federal Program 16.013 Total</b>				<b>41,974</b>	<b>0</b>	
16.017	Sexual Assault Services Program		1030	405,364	387,196	
<b>Federal Program 16.017 Total</b>				<b>405,364</b>	<b>387,196</b>	
16.026	OVW Research and Evaluation Program		3600	53,879	0	
<b>Federal Program 16.026 Total</b>				<b>53,879</b>	<b>0</b>	
16.034	COVID-19 – Coronavirus Emergency Supplemental Funding Program		1030	2,815,023	1,046,903	
<b>Federal Program 16.034 Total</b>				<b>2,815,023</b>	<b>1,046,903</b>	
16.321	Antiterrorism Emergency Reserve		1030	10,177	10,177	
<b>Federal Program 16.321 Total</b>				<b>10,177</b>	<b>10,177</b>	
16.525	Grants to Reduce Domestic Violence, Dating Violence		3650	72,544	0	
16.525			6990	230,191	0	
<b>Federal Program 16.525 Total</b>				<b>302,735</b>	<b>0</b>	
16.540	Juvenile Justice and Delinquency Prevention_Alloca		3070	635,866	0	
<b>Federal Program 16.540 Total</b>				<b>635,866</b>	<b>0</b>	
16.550	State Justice Statistics Program for Statistical A		1050	146,427	0	
<b>Federal Program 16.550 Total</b>				<b>146,427</b>	<b>0</b>	
16.554	National Criminal History Improvement Program (NCH)		2250	1,193,676	174,354	
<b>Federal Program 16.554 Total</b>				<b>1,193,676</b>	<b>174,354</b>	
16.575	Crime Victim Assistance		1030	49,915,699	47,754,811	
<b>Federal Program 16.575 Total</b>				<b>49,915,699</b>	<b>47,754,811</b>	
16.576	Crime Victim Compensation		2350	5,485,000	0	
<b>Federal Program 16.576 Total</b>				<b>5,485,000</b>	<b>0</b>	
16.588	Violence Against Women - Form Grnts		1030	3,070,435	2,596,050	
16.588			6990	33,590	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
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**Federal Programs Not Clustered**

**Dept of Justice**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 16.588 Total</b>				<b>3,104,025</b>	<b>2,596,050</b>	
16.590	Grants to Encourage Arrest Policies and Enforcement		1030	208,519	208,519	
<b>Federal Program 16.590 Total</b>				<b>208,519</b>	<b>208,519</b>	
16.593	Residential Substance Abuse Treatment for State Pr		1070	30,688	0	
<b>Federal Program 16.593 Total</b>				<b>30,688</b>	<b>0</b>	
16.609	Project Safe Neighborhoods	88125	6990	115,797	0	PT
<b>Federal Program 16.609 Total</b>				<b>115,797</b>	<b>0</b>	
16.726	Juvenile Mentoring Program	2019MUFX0002	3650	74,941	0	PT
<b>Federal Program 16.726 Total</b>				<b>74,941</b>	<b>0</b>	
16.738	Edward Byrne Memorial Justice Assistance Grant Pro		1030	1,136,458	893,968	
<b>Federal Program 16.738 Total</b>				<b>1,136,458</b>	<b>893,968</b>	
16.741	DNA Backlog Reduction Program		2250	1,200,657	0	
<b>Federal Program 16.741 Total</b>				<b>1,200,657</b>	<b>0</b>	
16.742	Paul Coverdell Forensic Sciences Improvement Grant		2250	220,916	189,557	
<b>Federal Program 16.742 Total</b>				<b>220,916</b>	<b>189,557</b>	
16.754	Harold Rogers Prescription Drug Monitoring Program		3030	599,719	0	
<b>Federal Program 16.754 Total</b>				<b>599,719</b>	<b>0</b>	
16.820	Postconviction Testing of DNA Evidence		2250	214,257	199,231	
<b>Federal Program 16.820 Total</b>				<b>214,257</b>	<b>199,231</b>	
16.831	Children of Incarcerated Parents		3100	12,938	0	
<b>Federal Program 16.831 Total</b>				<b>12,938</b>	<b>0</b>	
16.833	National Sexual Assault Kit Initiative		1000	1,533,379	0	
<b>Federal Program 16.833 Total</b>				<b>1,533,379</b>	<b>0</b>	
16.838	Comprehensive Opioid, Stimulant, and Substance Abu		0550	106,038	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Dept of Justice**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
16.838	Comprehensive Opioid, Stimulant, and Substance Abuse	WSU004115	3650	40,590	0	PT
<b>Federal Program 16.838 Total</b>				<b>146,628</b>	<b>0</b>	
16.839	Stop School Violence		3500	283,253	264,643	
<b>Federal Program 16.839 Total</b>				<b>283,253</b>	<b>264,643</b>	
16.922	Equitable Sharing Program		1000	74,051	0	
16.922			1950	3,738	0	
16.922			2250	34,454	0	
16.922			3100	96,184	0	
<b>Federal Program 16.922 Total</b>				<b>208,427</b>	<b>0</b>	
16.U01	Justice - Unknown CFDA Number	K15820	2250	258,916	0	
<b>Federal Program 16.U01 Total</b>				<b>258,916</b>	<b>0</b>	
16.U02	Justice - Unknown CFDA Number	K16503	2250	55,943	0	
<b>Federal Program 16.U02 Total</b>				<b>55,943</b>	<b>0</b>	
<b>Dept of Justice Total</b>				<b>70,411,281</b>	<b>53,725,409</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Labor**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
17.002	Labor Force Statistics		5400	1,584,407		0
<b>Federal Program 17.002 Total</b>				<b>1,584,407</b>		<b>0</b>
17.005	Compensation and Working Conditions		2350	179,545		0
<b>Federal Program 17.005 Total</b>				<b>179,545</b>		<b>0</b>
17.225	Unemployment Insurance		5400	2,780,111,537		0
17.225	COVID-19 – Unemployment Insurance		5400	9,358,524,975		0
<b>Federal Program 17.225 Total</b>				<b>12,138,636,512</b>		<b>0</b>
17.235	Senior Community Service Employment Program		3000	1,215,886	1,178,218	
<b>Federal Program 17.235 Total</b>				<b>1,215,886</b>	<b>1,178,218</b>	
17.245	Trade Adjustment Assistance		5400	11,523,000		0
17.245	COVID-19 – Trade Adjustment Assistance		5400	3,217		0
<b>Federal Program 17.245 Total</b>				<b>11,526,217</b>		<b>0</b>
17.268	H-1B Job Training Grants		2350	(568,936)	(599,930)	
17.268	COVID-19 – H-1B Job Training Grants	GVS26315	3030	3,211	0	PT
17.268	H-1B Job Training Grants	F1700012910441004	3650	260,478	0	PT
17.268			6990	1,540,695	0	
17.268		48401/696	6990	85,041	0	PT
17.268		HG343522060A53	6990	9,257	0	PT
17.268		PY20-ECSA-CPTC	6990	63,685	0	PT
<b>Federal Program 17.268 Total</b>				<b>1,393,431</b>	<b>(599,930)</b>	
17.270	Reentry Employment Opportunities		5400	4,925		0
<b>Federal Program 17.270 Total</b>				<b>4,925</b>		<b>0</b>
17.271	Work Opportunity Tax Credit Program (WOTC)		5400	314,326		0
<b>Federal Program 17.271 Total</b>				<b>314,326</b>		<b>0</b>
17.273	Temporary Labor Certification for Foreign Workers		5400	296,888		0
<b>Federal Program 17.273 Total</b>				<b>296,888</b>		<b>0</b>
17.274	Youthbuild		6990	92,668		0

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Dept of Labor**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 17.274 Total</b>				<b>92,668</b>	<b>0</b>	
17.277	WIOA National Dislocated Worker Grants / WIA Natio		5400	453,363	360,397	
17.277	COVID-19 – WIOA National Dislocated Worker Grants / WIA Natio		5400	7,081,341	6,597,004	
17.277	WIOA National Dislocated Worker Grants / WIA Natio	88150	6990	40,000	0	PT
<b>Federal Program 17.277 Total</b>				<b>7,574,704</b>	<b>6,957,401</b>	
17.280	WIOA Dislocated Worker National Reserve Demonstrat		5400	1,079,481	1,059,386	
<b>Federal Program 17.280 Total</b>				<b>1,079,481</b>	<b>1,059,386</b>	
17.282	Trade Adjustment Assist Comm College & Career Trng	68450	6990	70,440	0	PT
<b>Federal Program 17.282 Total</b>				<b>70,440</b>	<b>0</b>	
17.285	Apprenticeship USA Grants		2350	677,011	208,961	
17.285			6990	11,645	0	
<b>Federal Program 17.285 Total</b>				<b>688,656</b>	<b>208,961</b>	
17.287	Job Corps Experimental Projects and Technical Assi		6990	132,884	0	
<b>Federal Program 17.287 Total</b>				<b>132,884</b>	<b>0</b>	
17.503	Occupational Safety & Health State Prog		2350	8,473,771	0	
<b>Federal Program 17.503 Total</b>				<b>8,473,771</b>	<b>0</b>	
17.600	Mine Health and Safety Grants		3700	164,806	0	
<b>Federal Program 17.600 Total</b>				<b>164,806</b>	<b>0</b>	
17.720	Disability Employment Policy Development		5400	1,629,317	0	
<b>Federal Program 17.720 Total</b>				<b>1,629,317</b>	<b>0</b>	
17.805	Homeless Veterans' Reintegration Program		3050	442,830	0	
<b>Federal Program 17.805 Total</b>				<b>442,830</b>	<b>0</b>	
<b>Dept of Labor Total</b>				<b>12,175,501,694</b>	<b>8,804,036</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of State**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
19.010	Academic Exchange Programs - Humphrey Fellowship P	3000203738AM01	3600	20,689	0	PT
<b>Federal Program 19.010 Total</b>				<b>20,689</b>	<b>0</b>	
19.021	Investing in People in the Middle East and North A		3800	1,440	0	
<b>Federal Program 19.021 Total</b>				<b>1,440</b>	<b>0</b>	
19.033	Global Threat Reduction	2000012172	3650	50,263	0	PT
<b>Federal Program 19.033 Total</b>				<b>50,263</b>	<b>0</b>	
19.703	Criminal Justice Systems		3600	59,648	0	
<b>Federal Program 19.703 Total</b>				<b>59,648</b>	<b>0</b>	
<b>Dept of State Total</b>				<b>132,040</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Transportation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
20.106	Airport Improvement Program		4050	248,237	0	
<b>Federal Program 20.106 Total</b>				<b>248,237</b>	<b>0</b>	
20.215	Highway Training and Education		3600	1,066	0	
<b>Federal Program 20.215 Total</b>				<b>1,066</b>	<b>0</b>	
20.240	Fuel Tax Evasion-Intergovernmental Enforcement Eff		2400	37,223	0	
<b>Federal Program 20.240 Total</b>				<b>37,223</b>	<b>0</b>	
20.314	Railroad Development		4050	626,493	0	
<b>Federal Program 20.314 Total</b>				<b>626,493</b>	<b>0</b>	
20.505	Metropolitan Transportation Planning and State and		4050	4,103,058	3,859,991	
<b>Federal Program 20.505 Total</b>				<b>4,103,058</b>	<b>3,859,991</b>	
20.509	Formula Grants for Rural Areas		4050	23,708,553	14,281,719	
20.509	COVID-19 – Formula Grants for Rural Areas		4050	23,766,793	20,687,729	
<b>Federal Program 20.509 Total</b>				<b>47,475,346</b>	<b>34,969,448</b>	
20.528	Rail Fixed Guideway Public Transportation System S		4050	744,580	0	
<b>Federal Program 20.528 Total</b>				<b>744,580</b>	<b>0</b>	
20.608	Minimum Penalties for Repeat Offenders for Driving		2280	1,109,974	1,109,974	
<b>Federal Program 20.608 Total</b>				<b>1,109,974</b>	<b>1,109,974</b>	
20.615	E-911 Grant Program		2450	877,656	874,104	
<b>Federal Program 20.615 Total</b>				<b>877,656</b>	<b>874,104</b>	
20.700	Pipeline Safety Program Base Grants		2150	1,610,857	0	
<b>Federal Program 20.700 Total</b>				<b>1,610,857</b>	<b>0</b>	
20.701	University Transportation Centers Program		3600	2,205,992	977,900	
20.701		000402AM03	3600	27,855	0	PT
20.701		17175AM05PTE69A355174	3600	68,835	0	PT
20.701		80000734904UG	3600	75,458	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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June 30, 2021  
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**Federal Programs Not Clustered**

**Dept of Transportation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
20.701	University Transportation Centers Program	80000734904UG800094800	3600	24,774	0	PT
20.701		F874103	3600	30,712	0	PT
20.701		F874103AM01	3600	141,297	0	PT
20.701		F874103AM04	3600	78,463	0	PT
20.701		UAF18005469A3551747129	3600	331,299	0	PT
20.701			3650	939,253	207,305	
20.701		2016068804WSU	3650	78,868	5,961	PT
20.701		G227-17-W6460	3700	268,251	24,440	PT
<b>Federal Program 20.701 Total</b>				<b>4,271,057</b>	<b>1,215,606</b>	
20.703	Interagency Hazardous Materials Public Sector Trai		2450	253,722	233,377	
<b>Federal Program 20.703 Total</b>				<b>253,722</b>	<b>233,377</b>	
20.933	National Infrastructure Investments		4050	11,300,945	6,073,666	
<b>Federal Program 20.933 Total</b>				<b>11,300,945</b>	<b>6,073,666</b>	
20.U01	DOT - Unknown CFDA Number	DTNH2217H00153	2280	321,891	0	
<b>Federal Program 20.U01 Total</b>				<b>321,891</b>	<b>0</b>	
<b>Dept of Transportation Total</b>				<b>72,982,105</b>	<b>48,336,166</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of the Treasury**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
21.008	Low Income Taxpayer Clinics		3600	84,845	0	
<b>Federal Program 21.008 Total</b>				<b>84,845</b>	<b>0</b>	
21.016	Equitable Sharing		1950	75,413	0	
<b>Federal Program 21.016 Total</b>				<b>75,413</b>	<b>0</b>	
21.019	COVID-19 – Coronavirus Relief Fund		0550	10,614,997	0	
21.019			0560	1,342,929	1,342,929	
21.019			0570	2,265,962	0	
21.019			0750	25,041	0	
21.019			0850	325,000	0	
21.019			1000	1,152,000	0	
21.019			1030	983,109,958	947,828,116	
21.019			1050	6,417,683	0	
21.019			1070	59,985,770	0	
21.019		S21-32401-001	1480	82,379	0	PT
21.019		SC107712	1480	591,649	575,649	PT
21.019			1790	19,266,242	0	
21.019			3000	224,602,273	126,373,000	
21.019			3030	153,455,165	0	
21.019			3070	98,866,255	500,000	
21.019			3100	11,352,271	0	
21.019			3400	4,956,609	0	
21.019			3600	48,937,528	3,300,000	
21.019		ODE13815	3600	339,975	0	PT
21.019		ODE13815AM01	3600	26,524	0	PT
21.019		UW667275	3600	498,026	0	PT
21.019		US Dept Treas - Corona	3700	315,000	0	PT
21.019			3750	312,000	0	
21.019			3870	1,973,834	0	
21.019			4610	221,998	0	
21.019			4950	28,374,994	14,084,945	
21.019			5400	77,429,979	0	
21.019		11267	6990	7,871	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of the Treasury**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
21.019	COVID-19 – Coronavirus Relief Fund	FALLCOVID19	6990	14,597	0	PT
21.019		SC-107791	6990	709,198	0	PT
<b>Federal Program 21.019 Total</b>				<b>1,737,573,707</b>	<b>1,094,004,639</b>	
21.023	COVID-19 – Emergency Rental Assistance Program		1030	40,761,691	40,666,369	
<b>Federal Program 21.023 Total</b>				<b>40,761,691</b>	<b>40,666,369</b>	
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds		3000	5,399,000	0	
21.027			3100	21,252,793	0	
21.027			3600	35,000,000	0	
21.027			4950	20,000,000	4,901,381	
<b>Federal Program 21.027 Total</b>				<b>81,651,793</b>	<b>4,901,381</b>	
<b>Dept of the Treasury Total</b>				<b>1,860,147,449</b>	<b>1,139,572,389</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**General Services Administration**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
39.003	Donation of Federal Surplus Personal Property		1790	17,622	0	NC
39.003			2450	14,867	0	NC
39.003			3000	685	0	NC
39.003			3030	259,114	0	NC
39.003			3050	2,873	0	NC
39.003			4050	2,513	0	NC
39.003			4650	2,931	0	NC
39.003			4900	155	0	NC
<b>Federal Program 39.003 Total</b>				<b>300,760</b>	<b>0</b>	
<b>General Services Administration Total</b>				<b>300,760</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**National Aeronautics & Space Admin**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
43.001	Science		3600	13,616,909	2,274,575	
43.001		00001738	3600	20,606	0	PT
43.001		100436602	3600	3,983	0	PT
43.001		102546AM05	3600	28,242	0	PT
43.001		1110244437124	3600	35,617	0	PT
43.001		1558798	3600	16,401	0	PT
43.001		1559326AM03	3600	10,655	0	PT
43.001		1570694MOD01	3600	7	0	PT
43.001		1572151MOD02	3600	13,463	0	PT
43.001		1616846MOD01	3600	16,680	0	PT
43.001		1638405	3600	91,589	0	PT
43.001		1641292MOD01	3600	59,381	0	PT
43.001		1653763	3600	52,101	0	PT
43.001		1654687	3600	70,479	0	PT
43.001		1656043	3600	35,410	0	PT
43.001		1662380	3600	9,997	0	PT
43.001		1GG013115PTENN17AH0	3600	18,715	0	PT
43.001		20173519AM04	3600	8,721	0	PT
43.001		2020241UWAM03	3600	64,385	0	PT
43.001		21M14	3600	7,902	0	PT
43.001		23156800AM05	3600	105,836	0	PT
43.001		239700AAM03	3600	199,618	70,980	PT
43.001		3GG015418AM02	3600	16,210	0	PT
43.001		5111900AM03	3600	150,832	0	PT
43.001		555432AM02	3600	2,621	0	PT
43.001		AWD103070G2PO5067106	3600	7,748	0	PT
43.001		G0516085XAM04	3600	5,965	0	PT
43.001		G23819W7767AM02	3600	14,206	0	PT
43.001		G23819W7767AM1	3600	136,674	0	PT
43.001		GK000716CON80000156A	3600	81,732	0	PT
43.001		GO021079B	3600	5,854	0	PT
43.001		GO122080X	3600	1,676	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**National Aeronautics & Space Admin**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
43.001	Science	GO819090AAM02	3600	5,840	0	PT
43.001		HSTAR13882001AAM03	3600	(1)	0	PT
43.001		HSTAR13901005AAM05	3600	50,690	0	PT
43.001		HSTAR14325001AAM03	3600	16,115	0	PT
43.001		HSTAR15013004AAM02	3600	3,068	0	PT
43.001		HSTAR15016002AAM05	3600	2,815	0	PT
43.001		HSTAR15042003AMOD02	3600	12,123	0	PT
43.001		HSTAR15046001AAM04	3600	17,651	0	PT
43.001		HSTAR15800002AAM04	3600	89,074	0	PT
43.001		HSTAR16122002A	3600	1,684	0	PT
43.001		HSTGO1205501AAM12	3600	260,026	0	PT
43.001		HSTGO13659002AAM02	3600	(881)	0	PT
43.001		HSTGO14610001AAM02	3600	71,290	0	PT
43.001		HSTGO14675009AAM01	3600	3,320	0	PT
43.001		HSTGO14784003AAM001	3600	2,664	0	PT
43.001		HSTGO14786001AAM02	3600	61,790	0	PT
43.001		HSTGO14799002AAM02	3600	4,940	0	PT
43.001		HSTGO14912002A	3600	3,953	0	PT
43.001		HSTGO15154001AAM04	3600	(39,165)	0	PT
43.001		HSTGO15216004AAM01	3600	17,054	0	PT
43.001		HSTGO15275009AAM05	3600	21,641	0	PT
43.001		HSTGO15293008AAM06	3600	33,224	0	PT
43.001		HSTGO15302004AAM01	3600	13,039	0	PT
43.001		HSTGO15314003AAM04	3600	(1,461)	0	PT
43.001		HSTGO15656003AAM02	3600	154,264	0	PT
43.001		HSTGO15703001A	3600	7,253	0	PT
43.001		HSTGO15875004A	3600	36,204	0	PT
43.001		HSTGO15877005AAM01	3600	14,485	0	PT
43.001		HSTGO15880011AAM01	3600	5,409	0	PT
43.001		HSTGO15891005AAM01	3600	3,520	0	PT
43.001		HSTGO15912006A	3600	10,208	0	PT
43.001		HSTGO15932005A	3600	5,181	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**National Aeronautics & Space Admin**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
43.001	Science	HSTGO15988002AAM02	3600	18,954	0	PT
43.001		HSTGO16046001A	3600	901	0	PT
43.001		HSTGO16191016A	3600	379	0	PT
43.001		HSTHF251471001A	3600	89,793	0	PT
43.001		MA1314AM06	3600	55,090	0	PT
43.001		NASA000402AM04	3600	74,784	0	PT
43.001		NWRA17S191MOD002	3600	48,691	0	PT
43.001		R200020AM01	3600	91,609	0	PT
43.001		S001254	3600	24,756	0	PT
43.001		SA0000681AM01	3600	108,382	0	PT
43.001		SC3365MOD01	3600	275,669	0	PT
43.001		SC3365MOD04	3600	35,465	0	PT
43.001		SOF070149MOD03	3600	34,320	0	PT
43.001		SUBAWD000410MOD02	3600	13,907	0	PT
43.001		SUBAWD002083MOD01	3600	17,400	0	PT
43.001		UAF200140AM01	3600	17,578	0	PT
43.001			3650	141,209	0	
43.001		1654824	3650	65,051	0	PT
43.001		HSTGO16188001A	3650	6,627	0	PT
43.001			3750	104,396	0	
43.001		239700B	3750	59,489	0	PT
43.001			3800	176,329	0	
43.001		15-710	3800	175,450	0	PT
43.001		1546127	3800	59,170	0	PT
43.001		1652930	3800	19,060	0	PT
43.001		F-2019-53	3800	1,337	0	PT
43.001		44621	6990	17,147	0	PT
<b>Federal Program 43.001 Total</b>				<b>17,530,175</b>	<b>2,345,555</b>	
43.002	Aeronautics		3600	826,614	289,071	
<b>Federal Program 43.002 Total</b>				<b>826,614</b>	<b>289,071</b>	
43.007	Space Operations		3650	176,044	22	
43.007		320000109817193	3650	77,298	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**National Aeronautics & Space Admin**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 43.007 Total</b>				<b>253,342</b>	<b>22</b>	
43.008	Office of Stem Engagement (Ostem)		3600	924,410	152,203	
43.008		1T61	6990	3,497	0	PT
<b>Federal Program 43.008 Total</b>				<b>927,907</b>	<b>152,203</b>	
43.012	Space Technology		3600	261,404	0	
43.012			3650	61,808	0	
<b>Federal Program 43.012 Total</b>				<b>323,212</b>	<b>0</b>	
43.U01	NASA - Unknown CFDA Number	80NSSC19P0937	3650	30,585	0	
<b>Federal Program 43.U01 Total</b>				<b>30,585</b>	<b>0</b>	
<b>National Aeronautics &amp; Space Admin Total</b>				<b>19,891,835</b>	<b>2,786,851</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**National Foundation on the Arts and the Humanities**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
45.024	Promotion of the Arts Grants to Organizations and		3500	28,100	0	
45.024			3600	39,673	0	
45.024			3760	17,993	0	
45.024		C16R12454CR16R	3760	12,903	0	PT
45.024			4650	29,796	0	
45.024	COVID-19 – Promotion of the Arts Grants to Organizations and		4650	14,485	0	
45.024	Promotion of the Arts Grants to Organizations and	n/a	6990	1,557	0	PT
<b>Federal Program 45.024 Total</b>				<b>144,507</b>	<b>0</b>	
45.025	Promotion of the Arts Partnership Agreements		3870	749,728	0	
45.025	COVID-19 – Promotion of the Arts Partnership Agreements		3870	152,170	0	
<b>Federal Program 45.025 Total</b>				<b>901,898</b>	<b>0</b>	
45.149	Promotion of the Humanities Division of Preservati		0850	70,365	0	
45.149			3650	1,228	0	
45.149			6990	300,000	0	
<b>Federal Program 45.149 Total</b>				<b>371,593</b>	<b>0</b>	
45.160	Promotion of the Humanities Fellowships and Stipen		3600	32,336	0	
45.160			3650	5,821	0	
<b>Federal Program 45.160 Total</b>				<b>38,157</b>	<b>0</b>	
45.162	Promotion of the Humanities Teaching and Learning		3650	24,591	0	
45.162	COVID-19 – Promotion of the Humanities Teaching and Learning		3750	253,454	0	
45.162	Promotion of the Humanities Teaching and Learning		6990	211,943	0	
<b>Federal Program 45.162 Total</b>				<b>489,988</b>	<b>0</b>	
45.301	Museums for America		3600	163,247	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
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**Federal Programs Not Clustered**

**National Foundation on the Arts and the Humanities**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 45.301 Total</b>				<b>163,247</b>	<b>0</b>	
45.310	Grants to States		0850	3,350,528	44,048	
45.310	COVID-19 – Grants to States		0850	518,683	437,937	
<b>Federal Program 45.310 Total</b>				<b>3,869,211</b>	<b>481,985</b>	
45.312	National Leadership Grants		3600	446,464	32,814	
45.312	COVID-19 – National Leadership Grants	A158437	3600	1,397	0	PT
45.312	National Leadership Grants		3650	256,470	64,009	
<b>Federal Program 45.312 Total</b>				<b>704,331</b>	<b>96,823</b>	
45.313	Laura Bush 21ST Century Librarian Program		3600	259,064	23,237	
45.313		414313UW	3600	53,421	0	PT
45.313			3650	77,721	0	
<b>Federal Program 45.313 Total</b>				<b>390,206</b>	<b>23,237</b>	
<b>National Foundation on the Arts and the Humanities Total</b>				<b>7,073,138</b>	<b>602,045</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Small Business Administration**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
59.037	Small Business Development Centers		3650	4,501,683	446,602	
<b>Federal Program 59.037 Total</b>				<b>4,501,683</b>	<b>446,602</b>	
59.061	State Trade Expansion		1030	845,264	255,775	
<b>Federal Program 59.061 Total</b>				<b>845,264</b>	<b>255,775</b>	
<b>Small Business Administration Total</b>				<b>5,346,947</b>	<b>702,377</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Department of Veterans Affairs**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
64.012	Veterans Prescription Service		3050	326,774		0
<b>Federal Program 64.012 Total</b>				<b>326,774</b>		<b>0</b>
64.015	Veterans State Nursing Home Care		3050	45,213,099		0
64.015	COVID-19 – Veterans State Nursing Home Care		3050	2,355,042		0
<b>Federal Program 64.015 Total</b>				<b>47,568,141</b>		<b>0</b>
64.024	VA Homeless Providers Grant and Per Diem Program		3050	2,817,211		0
<b>Federal Program 64.024 Total</b>				<b>2,817,211</b>		<b>0</b>
64.027	Post-9/11 Veterans Educational Assistance		6990	2,896		0
<b>Federal Program 64.027 Total</b>				<b>2,896</b>		<b>0</b>
64.035	Veterans Transportation Program/Grants for Transp		3050	42,630		0
<b>Federal Program 64.035 Total</b>				<b>42,630</b>		<b>0</b>
64.101	Burial Expenses Allowance for Veterans		3050	344,000		0
<b>Federal Program 64.101 Total</b>				<b>344,000</b>		<b>0</b>
64.110	Veterans Dependency and Indemnity Compensation for		6990	6,752		0
<b>Federal Program 64.110 Total</b>				<b>6,752</b>		<b>0</b>
64.116	Vocational Rehabilitation for Disabled Veterans	116	6990	173,822		0 PT
<b>Federal Program 64.116 Total</b>				<b>173,822</b>		<b>0</b>
64.117	Survivors and Dependents Educational Assistance		6990	11,232		0
<b>Federal Program 64.117 Total</b>				<b>11,232</b>		<b>0</b>
64.124	All-Volunteer Force Educational Assistance		3400	342,840	342,840	
64.124			3540	245,834		0
64.124			6990	3,875		0
<b>Federal Program 64.124 Total</b>				<b>592,549</b>	<b>342,840</b>	
64.203	Veterans Cemetery Grants Program		3050	3,267,991		0
<b>Federal Program 64.203 Total</b>				<b>3,267,991</b>		<b>0</b>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Department of Veterans Affairs**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
64.U01	VA - Unknown CFDA Number	VA Reporting Fee	6990	260,412		0
<b>Federal Program 64.U01 Total</b>				<b>260,412</b>		<b>0</b>
64.U02	VA - Unknown CFDA Number	132054	3650	51,559		0
<b>Federal Program 64.U02 Total</b>				<b>51,559</b>		<b>0</b>
64.U03	VA - Unknown CFDA Number	662D96072	3650	261		0
<b>Federal Program 64.U03 Total</b>				<b>261</b>		<b>0</b>
64.U04	VA - Unknown CFDA Number	IPA202108	3650	9,041		0
<b>Federal Program 64.U04 Total</b>				<b>9,041</b>		<b>0</b>
<b>Department of Veterans Affairs Total</b>				<b>55,475,271</b>	<b>342,840</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Environmental Protection Agency**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
66.032	State Indoor Radon Grants		3030	56,690	2,626	
<b>Federal Program 66.032 Total</b>				<b>56,690</b>	<b>2,626</b>	
66.040	Diesel Emissions Reduction Act (DERA) State Grants		4610	368,690	368,690	
<b>Federal Program 66.040 Total</b>				<b>368,690</b>	<b>368,690</b>	
66.123	Puget Sound Action Agenda: Technical Investigation		3030	3,028,296	1,469,296	
66.123		UW667142	3600	16,565	0	PT
66.123			4050	16,151	0	
66.123			4610	5,981,437	4,432,884	
66.123			4770	4,899,990	0	
66.123		2019-13-WDFW	4770	43,202	0	PT
66.123			4780	1,754,811	63,322	
<b>Federal Program 66.123 Total</b>				<b>15,740,452</b>	<b>5,965,502</b>	
66.204	Multipurpose Grants to States and Tribes		3030	15,769	0	
66.204			4950	36,262	0	
<b>Federal Program 66.204 Total</b>				<b>52,031</b>	<b>0</b>	
66.419	Water Pollution Control State, Interstate, and Tri		3030	56,339	0	
66.419			4610	197,666	0	
<b>Federal Program 66.419 Total</b>				<b>254,005</b>	<b>0</b>	
66.432	State Public Water System Supervision		3030	2,494,385	0	
<b>Federal Program 66.432 Total</b>				<b>2,494,385</b>	<b>0</b>	
66.442	Assistance for Small and Disadvantaged Communities		3030	54,745	0	
<b>Federal Program 66.442 Total</b>				<b>54,745</b>	<b>0</b>	
66.454	Water Quality Management Planning		4610	331,129	0	
<b>Federal Program 66.454 Total</b>				<b>331,129</b>	<b>0</b>	
66.456	National Estuary Program	UW669954	3600	57,801	0	PT
66.456			4780	2,949,055	859,572	
<b>Federal Program 66.456 Total</b>				<b>3,006,856</b>	<b>859,572</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Environmental Protection Agency**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
66.460	Nonpoint Source Implementation Grants		4610	2,539,224	1,210,013	
<b>Federal Program 66.460 Total</b>				<b>2,539,224</b>	<b>1,210,013</b>	
66.461	Regional Wetland Program Development Grants		4610	26,103	0	
66.461			4900	14,650	0	
<b>Federal Program 66.461 Total</b>				<b>40,753</b>	<b>0</b>	
66.472	Beach Monitoring and Notification Program Implemen		4610	140,573	0	
<b>Federal Program 66.472 Total</b>				<b>140,573</b>	<b>0</b>	
66.605	Performance Partnership Grants		1030	171,767	0	
66.605			4610	8,194,253	1,808,427	
<b>Federal Program 66.605 Total</b>				<b>8,366,020</b>	<b>1,808,427</b>	
66.608	Environmental Information Exchange Network Grant P		3030	6,653	0	
66.608			4610	49,850	0	
66.608			4670	346,358	164,875	
66.608			4900	80,254	0	
<b>Federal Program 66.608 Total</b>				<b>483,115</b>	<b>164,875</b>	
66.700	Consolidated Pesticide Enforcement Cooperative Agr		4950	453,684	0	
<b>Federal Program 66.700 Total</b>				<b>453,684</b>	<b>0</b>	
66.707	TSCA Title Iv State Lead Grants Certification of L		1030	214,083	0	
<b>Federal Program 66.707 Total</b>				<b>214,083</b>	<b>0</b>	
66.708	Pollution Prevention Grants Program		4610	100,595	0	
<b>Federal Program 66.708 Total</b>				<b>100,595</b>	<b>0</b>	
66.716	Research, Development, Monitoring, Public Education	SA202016	3650	(270)	0	PT
66.716		SA202119	3650	18,009	0	PT
<b>Federal Program 66.716 Total</b>				<b>17,739</b>	<b>0</b>	
66.801	Hazardous Waste Management State Program Support		4610	1,749,974	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Environmental Protection Agency**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 66.801 Total</b>				<b>1,749,974</b>	<b>0</b>	
66.802	Superfund State, Political Subdivision, and Indian		4610	233,905	0	
66.802			4770	109,006	0	
<b>Federal Program 66.802 Total</b>				<b>342,911</b>	<b>0</b>	
66.804	Underground Storage Tank Prevention, Detection and		4610	463,525	0	
<b>Federal Program 66.804 Total</b>				<b>463,525</b>	<b>0</b>	
66.805	Leaking Underground Storage Tank Trust Fund Correc		4610	515,378	0	
66.805			4620	287,088	0	
<b>Federal Program 66.805 Total</b>				<b>802,466</b>	<b>0</b>	
66.808	Solid Waste Management Assistance Grants		3650	938	0	
<b>Federal Program 66.808 Total</b>				<b>938</b>	<b>0</b>	
66.809	Superfund State and Indian Tribe CORE Program Coop		4610	9,776	0	
<b>Federal Program 66.809 Total</b>				<b>9,776</b>	<b>0</b>	
66.817	State and Tribal Response Program Grants		4610	1,055,339	0	
<b>Federal Program 66.817 Total</b>				<b>1,055,339</b>	<b>0</b>	
66.951	Environmental Education Grants		3700	3,267	2,619	
66.951			3800	2,946	0	
<b>Federal Program 66.951 Total</b>				<b>6,213</b>	<b>2,619</b>	
66.962	Columbia River Basin Restoration (CRBR) Program		3600	25,003	0	
66.962			4610	19,274	0	
66.962			4950	25,423	0	
<b>Federal Program 66.962 Total</b>				<b>69,700</b>	<b>0</b>	
66.U01	Environmental Protection Agency - Unknown CFDA Num	CW2229253	6990	6,727	0	PT
<b>Federal Program 66.U01 Total</b>				<b>6,727</b>	<b>0</b>	
<b>Environmental Protection Agency Total</b>				<b>39,222,338</b>	<b>10,382,324</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Energy**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
81.041	State Energy Program		1030	805,764	0	
<b>Federal Program 81.041 Total</b>				<b>805,764</b>	<b>0</b>	
81.042	Weatherization Assist - Low Inc		1030	5,255,837	4,599,688	
<b>Federal Program 81.042 Total</b>				<b>5,255,837</b>	<b>4,599,688</b>	
81.106	Transport of Transuranic Wastes to the Waste Isola	K16304	2250	72,059	29,964	PT
<b>Federal Program 81.106 Total</b>				<b>72,059</b>	<b>29,964</b>	
81.112	Stewardship Science Grant Program	M1803341AM02	3600	249	0	PT
81.112		M1803341AM03	3600	88,656	0	PT
81.112			3650	5,213,303	382,825	
81.112		203186WSU	3650	310,288	0	PT
<b>Federal Program 81.112 Total</b>				<b>5,612,496</b>	<b>382,825</b>	
81.117	Energy Efficiency and Renewable Energy Information		1030	73,490	73,490	
81.117			3650	312,759	0	
<b>Federal Program 81.117 Total</b>				<b>386,249</b>	<b>73,490</b>	
81.121	Nuclear Energy Research, Development and Demonstra		3650	852,170	38,818	
<b>Federal Program 81.121 Total</b>				<b>852,170</b>	<b>38,818</b>	
81.122	Electricity Research, Development and Analysis		3650	712,963	19,345	
81.122		20150660502	3650	89,720	0	PT
81.122		S5130	3650	23,513	0	PT
<b>Federal Program 81.122 Total</b>				<b>826,196</b>	<b>19,345</b>	
81.124	Predictive Science Academic Alliance Program	202199UWAM08	3600	5,401	0	PT
<b>Federal Program 81.124 Total</b>				<b>5,401</b>	<b>0</b>	
81.U01	Energy - Unknown CFDA Number	0F60061	3650	102,219	0	PT
<b>Federal Program 81.U01 Total</b>				<b>102,219</b>	<b>0</b>	
81.U02	Energy - Unknown CFDA Number	0F60172	3650	67,289	0	PT
<b>Federal Program 81.U02 Total</b>				<b>67,289</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
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**Federal Programs Not Clustered**

**Dept of Energy**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
81.U03	Energy - Unknown CFDA Number	118074	3650	384,323	0	PT
<b>Federal Program 81.U03 Total</b>				<b>384,323</b>	<b>0</b>	
81.U04	Energy - Unknown CFDA Number	130248FPCA	3650	9,000	0	PT
<b>Federal Program 81.U04 Total</b>				<b>9,000</b>	<b>0</b>	
81.U05	Energy - Unknown CFDA Number	135945001	3650	4,192	0	PT
<b>Federal Program 81.U05 Total</b>				<b>4,192</b>	<b>0</b>	
81.U06	Energy - Unknown CFDA Number	196561	3650	36,141	0	PT
<b>Federal Program 81.U06 Total</b>				<b>36,141</b>	<b>0</b>	
81.U07	Energy - Unknown CFDA Number	201931	3650	(12)	0	
<b>Federal Program 81.U07 Total</b>				<b>(12)</b>	<b>0</b>	
81.U08	Energy - Unknown CFDA Number	230862	3650	10,853	0	PT
<b>Federal Program 81.U08 Total</b>				<b>10,853</b>	<b>0</b>	
81.U09	Energy - Unknown CFDA Number	316309	3650	124,034	0	PT
<b>Federal Program 81.U09 Total</b>				<b>124,034</b>	<b>0</b>	
81.U10	Energy - Unknown CFDA Number	320972	3650	35,147	0	PT
<b>Federal Program 81.U10 Total</b>				<b>35,147</b>	<b>0</b>	
81.U11	Energy - Unknown CFDA Number	324880	3650	9,149	0	PT
<b>Federal Program 81.U11 Total</b>				<b>9,149</b>	<b>0</b>	
81.U12	Energy - Unknown CFDA Number	381667	3650	54,576	0	PT
<b>Federal Program 81.U12 Total</b>				<b>54,576</b>	<b>0</b>	
81.U13	Energy - Unknown CFDA Number	386586	3650	(1)	0	
<b>Federal Program 81.U13 Total</b>				<b>(1)</b>	<b>0</b>	
81.U14	Energy - Unknown CFDA Number	407930	3650	144,063	0	PT
<b>Federal Program 81.U14 Total</b>				<b>144,063</b>	<b>0</b>	
81.U15	Energy - Unknown CFDA Number	413678	3650	(451)	0	PT
<b>Federal Program 81.U15 Total</b>				<b>(451)</b>	<b>0</b>	
81.U16	Energy - Unknown CFDA Number	426011	3650	49,070	0	PT
<b>Federal Program 81.U16 Total</b>				<b>49,070</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Energy**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
81.U17	Energy - Unknown CFDA Number	432041	3650	196,426	0	PT
<b>Federal Program 81.U17 Total</b>				<b>196,426</b>	<b>0</b>	
81.U18	Energy - Unknown CFDA Number	432570	3650	54,038	0	PT
<b>Federal Program 81.U18 Total</b>				<b>54,038</b>	<b>0</b>	
81.U19	Energy - Unknown CFDA Number	438660	3650	184,880	0	PT
<b>Federal Program 81.U19 Total</b>				<b>184,880</b>	<b>0</b>	
81.U20	Energy - Unknown CFDA Number	444041	3650	(87)	0	
<b>Federal Program 81.U20 Total</b>				<b>(87)</b>	<b>0</b>	
81.U21	Energy - Unknown CFDA Number	444059	3650	4,430	0	
<b>Federal Program 81.U21 Total</b>				<b>4,430</b>	<b>0</b>	
81.U22	Energy - Unknown CFDA Number	331	1030	2,040,135	1,668,186	
<b>Federal Program 81.U22 Total</b>				<b>2,040,135</b>	<b>1,668,186</b>	
81.U23	Energy - Unknown CFDA Number	475231	3650	48,714	0	PT
<b>Federal Program 81.U23 Total</b>				<b>48,714</b>	<b>0</b>	
81.U24	Energy - Unknown CFDA Number	477975	3650	41,659	0	PT
<b>Federal Program 81.U24 Total</b>				<b>41,659</b>	<b>0</b>	
81.U25	Energy - Unknown CFDA Number	480688	3650	44,622	0	PT
<b>Federal Program 81.U25 Total</b>				<b>44,622</b>	<b>0</b>	
81.U26	Energy - Unknown CFDA Number	489324	3650	45,601	0	PT
<b>Federal Program 81.U26 Total</b>				<b>45,601</b>	<b>0</b>	
81.U27	Energy - Unknown CFDA Number	493865	3650	20,000	0	PT
<b>Federal Program 81.U27 Total</b>				<b>20,000</b>	<b>0</b>	
81.U28	Energy - Unknown CFDA Number	498809	3650	29,486	0	
<b>Federal Program 81.U28 Total</b>				<b>29,486</b>	<b>0</b>	
81.U29	Energy - Unknown CFDA Number	500293	3650	49,245	0	PT
<b>Federal Program 81.U29 Total</b>				<b>49,245</b>	<b>0</b>	
81.U30	Energy - Unknown CFDA Number	500860	3650	36,870	0	PT
<b>Federal Program 81.U30 Total</b>				<b>36,870</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Energy**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
81.U31	Energy - Unknown CFDA Number	501621	3650	48,816	0	PT
<b>Federal Program 81.U31 Total</b>				<b>48,816</b>	<b>0</b>	
81.U32	Energy - Unknown CFDA Number	502212	3650	42,034	0	PT
<b>Federal Program 81.U32 Total</b>				<b>42,034</b>	<b>0</b>	
81.U33	Energy - Unknown CFDA Number	502231	3650	49,019	0	PT
<b>Federal Program 81.U33 Total</b>				<b>49,019</b>	<b>0</b>	
81.U34	Energy - Unknown CFDA Number	506560	3650	75,362	0	PT
<b>Federal Program 81.U34 Total</b>				<b>75,362</b>	<b>0</b>	
81.U35	Energy - Unknown CFDA Number	506570	3650	159,296	0	PT
<b>Federal Program 81.U35 Total</b>				<b>159,296</b>	<b>0</b>	
81.U36	Energy - Unknown CFDA Number	508280	3650	8,874	0	PT
<b>Federal Program 81.U36 Total</b>				<b>8,874</b>	<b>0</b>	
81.U37	Energy - Unknown CFDA Number	508638	3650	15,956	0	PT
<b>Federal Program 81.U37 Total</b>				<b>15,956</b>	<b>0</b>	
81.U38	Energy - Unknown CFDA Number	513637	3650	1,999	0	
<b>Federal Program 81.U38 Total</b>				<b>1,999</b>	<b>0</b>	
81.U39	Energy - Unknown CFDA Number	516049	3650	(1,237)	0	
<b>Federal Program 81.U39 Total</b>				<b>(1,237)</b>	<b>0</b>	
81.U40	Energy - Unknown CFDA Number	516084	3650	41,713	0	PT
<b>Federal Program 81.U40 Total</b>				<b>41,713</b>	<b>0</b>	
81.U41	Energy - Unknown CFDA Number	518593	3650	52,405	0	PT
<b>Federal Program 81.U41 Total</b>				<b>52,405</b>	<b>0</b>	
81.U42	Energy - Unknown CFDA Number	518605	3650	61,381	0	PT
<b>Federal Program 81.U42 Total</b>				<b>61,381</b>	<b>0</b>	
81.U43	Energy - Unknown CFDA Number	518962	3650	9,742	0	PT
<b>Federal Program 81.U43 Total</b>				<b>9,742</b>	<b>0</b>	
81.U44	Energy - Unknown CFDA Number	519010	3650	11,251	0	PT
<b>Federal Program 81.U44 Total</b>				<b>11,251</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Energy**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
81.U45	Energy - Unknown CFDA Number	526597	3650	42,046	0	PT
<b>Federal Program 81.U45 Total</b>				<b>42,046</b>	<b>0</b>	
81.U46	Energy - Unknown CFDA Number	528677	3650	18,919	0	PT
<b>Federal Program 81.U46 Total</b>				<b>18,919</b>	<b>0</b>	
81.U47	Energy - Unknown CFDA Number	531896	3650	16,832	0	PT
<b>Federal Program 81.U47 Total</b>				<b>16,832</b>	<b>0</b>	
81.U48	Energy - Unknown CFDA Number	538222	3650	44,129	0	PT
<b>Federal Program 81.U48 Total</b>				<b>44,129</b>	<b>0</b>	
81.U49	Energy - Unknown CFDA Number	540055	3650	18,579	0	PT
<b>Federal Program 81.U49 Total</b>				<b>18,579</b>	<b>0</b>	
81.U50	Energy - Unknown CFDA Number	540104	3650	26,468	0	PT
<b>Federal Program 81.U50 Total</b>				<b>26,468</b>	<b>0</b>	
81.U51	Energy - Unknown CFDA Number	540570	3650	90,086	0	PT
<b>Federal Program 81.U51 Total</b>				<b>90,086</b>	<b>0</b>	
81.U52	Energy - Unknown CFDA Number	550188	3650	5,541	0	PT
<b>Federal Program 81.U52 Total</b>				<b>5,541</b>	<b>0</b>	
81.U53	Energy - Unknown CFDA Number	551933	3650	22,654	0	PT
<b>Federal Program 81.U53 Total</b>				<b>22,654</b>	<b>0</b>	
81.U54	Energy - Unknown CFDA Number	555156	3650	15,841	0	PT
<b>Federal Program 81.U54 Total</b>				<b>15,841</b>	<b>0</b>	
81.U55	Energy - Unknown CFDA Number	555239	3650	11,586	0	PT
<b>Federal Program 81.U55 Total</b>				<b>11,586</b>	<b>0</b>	
81.U56	Energy - Unknown CFDA Number	555468	3650	23,919	0	PT
<b>Federal Program 81.U56 Total</b>				<b>23,919</b>	<b>0</b>	
81.U57	Energy - Unknown CFDA Number	556825	3650	13,423	0	PT
<b>Federal Program 81.U57 Total</b>				<b>13,423</b>	<b>0</b>	
81.U58	Energy - Unknown CFDA Number	561086	3650	27,420	0	PT
<b>Federal Program 81.U58 Total</b>				<b>27,420</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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June 30, 2021  
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**Federal Programs Not Clustered**

**Dept of Energy**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
81.U59	Energy - Unknown CFDA Number	562117	3650	5,783	0	PT
<b>Federal Program 81.U59 Total</b>				<b>5,783</b>	<b>0</b>	
81.U60	Energy - Unknown CFDA Number	56682	3650	234,241	0	PT
<b>Federal Program 81.U60 Total</b>				<b>234,241</b>	<b>0</b>	
81.U61	Energy - Unknown CFDA Number	574231	3650	8,093	0	PT
<b>Federal Program 81.U61 Total</b>				<b>8,093</b>	<b>0</b>	
81.U62	Energy - Unknown CFDA Number	64928	3650	(192)	0	
<b>Federal Program 81.U62 Total</b>				<b>(192)</b>	<b>0</b>	
81.U63	Energy - Unknown CFDA Number	69321	3650	3,102	0	
<b>Federal Program 81.U63 Total</b>				<b>3,102</b>	<b>0</b>	
81.U64	Energy - Unknown CFDA Number	71419	3650	1,080,996	585,503	
<b>Federal Program 81.U64 Total</b>				<b>1,080,996</b>	<b>585,503</b>	
81.U65	Energy - Unknown CFDA Number	71756	3650	5,309	0	
<b>Federal Program 81.U65 Total</b>				<b>5,309</b>	<b>0</b>	
81.U66	Energy - Unknown CFDA Number	73148	3650	8,659	0	
<b>Federal Program 81.U66 Total</b>				<b>8,659</b>	<b>0</b>	
81.U67	Energy - Unknown CFDA Number	7314801	3650	3,801	0	PT
<b>Federal Program 81.U67 Total</b>				<b>3,801</b>	<b>0</b>	
81.U68	Energy - Unknown CFDA Number	74081	3650	46,932	0	PT
<b>Federal Program 81.U68 Total</b>				<b>46,932</b>	<b>0</b>	
81.U69	Energy - Unknown CFDA Number	7523597	3650	(1)	0	
<b>Federal Program 81.U69 Total</b>				<b>(1)</b>	<b>0</b>	
81.U70	Energy - Unknown CFDA Number	7548374	3650	37,681	0	PT
<b>Federal Program 81.U70 Total</b>				<b>37,681</b>	<b>0</b>	
81.U71	Energy - Unknown CFDA Number	7555991	3650	68,988	0	PT
<b>Federal Program 81.U71 Total</b>				<b>68,988</b>	<b>0</b>	
81.U72	Energy - Unknown CFDA Number	AHQ99200206	3650	9,514	0	
<b>Federal Program 81.U72 Total</b>				<b>9,514</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Energy**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
81.U73	Energy - Unknown CFDA Number	B644429	3650	82,682	0	PT
<b>Federal Program 81.U73 Total</b>				<b>82,682</b>	<b>0</b>	
81.U74	Energy - Unknown CFDA Number	B644928	3650	68,452	0	PT
<b>Federal Program 81.U74 Total</b>				<b>68,452</b>	<b>0</b>	
81.U75	Energy - Unknown CFDA Number	C20-123	3650	87,041	0	PT
<b>Federal Program 81.U75 Total</b>				<b>87,041</b>	<b>0</b>	
81.U76	Energy - Unknown CFDA Number	IF60329	3650	48,911	0	PT
<b>Federal Program 81.U76 Total</b>				<b>48,911</b>	<b>0</b>	
81.U77	Energy - Unknown CFDA Number	SC0017923	3650	112,283	0	
<b>Federal Program 81.U77 Total</b>				<b>112,283</b>	<b>0</b>	
81.U78	Energy - Unknown CFDA Number	WSU004141	3650	16,437	0	
<b>Federal Program 81.U78 Total</b>				<b>16,437</b>	<b>0</b>	
81.U79	Energy - Unknown CFDA Number	XFC87033101	3650	151,904	0	PT
<b>Federal Program 81.U79 Total</b>				<b>151,904</b>	<b>0</b>	
<b>Dept of Energy Total</b>				<b>20,676,453</b>	<b>7,397,819</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Education**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.002	Adult Education - Basic Grants to States	ABE	6990	8,780,316		0
<b>Federal Program 84.002 Total</b>				<b>8,780,316</b>		<b>0</b>
84.010	Title I Grants to Local Educational Agencies	84.010A	3500	236,295,389	231,769,768	
<b>Federal Program 84.010 Total</b>				<b>236,295,389</b>	<b>231,769,768</b>	
84.011	Migrant Education_State Grant Program	84.011A	3500	24,359,547	16,453,222	
<b>Federal Program 84.011 Total</b>				<b>24,359,547</b>	<b>16,453,222</b>	
84.013	Title I State Agency Program for Neglected and DEL	84.013A	3500	2,601,079	2,576,298	
<b>Federal Program 84.013 Total</b>				<b>2,601,079</b>	<b>2,576,298</b>	
84.015	National Resource Centers Program for Foreign Lang	84.015A	3600	1,659,993	169,609	
84.015		84.015B	3600	1,773,354	0	
<b>Federal Program 84.015 Total</b>				<b>3,433,347</b>	<b>169,609</b>	
84.031	Higher Education_Institutional Aid	84.031S, A139002AM3	3600	28,993	0	PT
84.031		84.031S, A139003AM04	3600	45,357	0	PT
84.031		P031A200206	3700	214,005	0	
84.031		33030	6990	12,395	0	PT
84.031		n/a	6990	7,985,481	0	
<b>Federal Program 84.031 Total</b>				<b>8,286,231</b>	<b>0</b>	
84.048	Career and Technical Education -- Basic Grants to	V048A180047	3540	55,530	7,585	
84.048		V048A190047	3540	9,044,352	6,659,388	
84.048		V048A200047	3540	11,882,277	538,818	
84.048		n/a	6990	1,058,303	0	
<b>Federal Program 84.048 Total</b>				<b>22,040,462</b>	<b>7,205,791</b>	
84.101	Career and Technical Education - Indian Set-Aside	0010017	6990	29,801	0	PT
84.101		18190309ESA	6990	185,975	0	PT
<b>Federal Program 84.101 Total</b>				<b>215,776</b>	<b>0</b>	
84.126	Rehabilitation Services Vocational Rehabilitation	H126A190071	3000	946,395	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
84.126	Rehabilitation Services Vocational Rehabilitation	H126A200071	3000	37,948,012	0	
84.126		H126A210071	3000	3,572,360	0	
84.126		-	3150	9,222,458	0	
84.126		2065-62923	6990	12,816	0	PT
84.126		n/a	6990	110,174	0	
<b>Federal Program 84.126 Total</b>				<b>51,812,215</b>	<b>0</b>	
84.129	Rehabilitation Long-Term Training		3800	192,703	0	
<b>Federal Program 84.129 Total</b>				<b>192,703</b>	<b>0</b>	
84.141	Migrant Education_High School Equivalency Program		3650	10,053	0	
84.141		84.141A	3750	373,008	0	
84.141		n/a	6990	481,831	0	
<b>Federal Program 84.141 Total</b>				<b>864,892</b>	<b>0</b>	
84.144	Migrant Education_Coordination Program	84.144F	3500	26,202	0	
<b>Federal Program 84.144 Total</b>				<b>26,202</b>	<b>0</b>	
84.149	Migrant Education_College Assistance Migrant Progr	84.149A	3600	392,958	0	
84.149			3650	397,446	0	
84.149		S149A200032 Action #1	3700	195,455	0	
84.149		84.149A	3750	356,083	0	
84.149		n/a	6990	1,331,038	0	
<b>Federal Program 84.149 Total</b>				<b>2,672,980</b>	<b>0</b>	
84.177	Rehabilitation Services Independent Living Service	-	3150	474,525	474,525	
<b>Federal Program 84.177 Total</b>				<b>474,525</b>	<b>474,525</b>	
84.181	Special Education-Grants for Infants and Families	9487262	3070	9,487,262	6,873,917	
<b>Federal Program 84.181 Total</b>				<b>9,487,262</b>	<b>6,873,917</b>	
84.184	School Safety National Activities (Formerly, Safe	84.184F	3500	684,409	278,694	
<b>Federal Program 84.184 Total</b>				<b>684,409</b>	<b>278,694</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
84.187	Supported Employment Services for Individuals With	H187A210072	3000	169,980	0	
84.187		H187B210072	3000	169,980	0	
84.187		-	3150	7,123	0	
<b>Federal Program 84.187 Total</b>				<b>347,083</b>	<b>0</b>	
84.196	Education for Homeless Children and Youth	84.196A	3500	1,518,128	1,195,491	
84.196		1004	6990	6,500	0	PT
<b>Federal Program 84.196 Total</b>				<b>1,524,628</b>	<b>1,195,491</b>	
84.200	Graduate Assistance in Areas of National Need		3650	282,165	0	
<b>Federal Program 84.200 Total</b>				<b>282,165</b>	<b>0</b>	
84.206	Javits Gifted and Talented Students Education Gran	3578803	3600	9,914	0	PT
<b>Federal Program 84.206 Total</b>				<b>9,914</b>	<b>0</b>	
84.264	Rehabilitation Training_Continuing Education	84.264?, SA0000624AM02	3600	5,126	0	PT
<b>Federal Program 84.264 Total</b>				<b>5,126</b>	<b>0</b>	
84.282	Charter Schools	84.282A	3500	283,311	283,147	
84.282		UW668211	3600	14,383	0	PT
<b>Federal Program 84.282 Total</b>				<b>297,694</b>	<b>283,147</b>	
84.287	Twenty-First Century Community Learning Centers	84.287A	3500	14,586,150	13,623,851	
<b>Federal Program 84.287 Total</b>				<b>14,586,150</b>	<b>13,623,851</b>	
84.299	Indian Education -- Special Programs for Indian Ch		3650	6,280	0	
<b>Federal Program 84.299 Total</b>				<b>6,280</b>	<b>0</b>	
84.315	Traditionally Underserved Populations	NWIC-21060-SA-M01	3800	68,238	0	PT
<b>Federal Program 84.315 Total</b>				<b>68,238</b>	<b>0</b>	
84.323	Special Education - State Personnel Development	84.323A	3500	223,997	112,861	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 84.323 Total</b>				<b>223,997</b>	<b>112,861</b>	
84.325	Special Education - Personnel Development to Impro	84.325L	3500	89,861	79,426	
84.325		84.325D	3600	218,431	0	
84.325		84.325H, UCHC712739462	3600	53,972	0	PT
84.325		84.325K	3600	1,113,453	0	
84.325		84.325N	3600	180,065	0	
84.325		UCHC7127394623	3600	18,516	0	PT
<b>Federal Program 84.325 Total</b>				<b>1,674,298</b>	<b>79,426</b>	
84.326	Special Education_Technical Assistance and Dissemi	84.326T	3500	168,303	168,303	
84.326		84.326M	3600	162,973	0	
<b>Federal Program 84.326 Total</b>				<b>331,276</b>	<b>168,303</b>	
84.334	Gaining Early Awareness and Readiness for Undergra	P334S1700009	3400	2,875,372	2,875,372	
84.334		84.334A	3600	9,534,333	7,040,952	
84.334			3650	5,819,926	431,130	
84.334		84.334A	3750	2,192,802	484,067	
<b>Federal Program 84.334 Total</b>				<b>20,422,433</b>	<b>10,831,521</b>	
84.335	Child Care Access Means Parents in School	84.335A	3600	19,078	0	
84.335			3650	185,454	0	
84.335		84.335	3760	48,161	0	
84.335		84.335A	6990	656,293	0	
<b>Federal Program 84.335 Total</b>				<b>908,986</b>	<b>0</b>	
84.358	Rural Education	84.358B	3500	1,172,892	1,110,268	
<b>Federal Program 84.358 Total</b>				<b>1,172,892</b>	<b>1,110,268</b>	
84.365	English Language Acquisition State Grants	84.365A	3500	13,150,968	12,479,934	
84.365		84.365D	3500	140,196	0	
84.365		84.365Z	3600	1,046,507	53,499	
84.365			3650	349,387	0	
<b>Federal Program 84.365 Total</b>				<b>14,687,058</b>	<b>12,533,433</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Dept of Education**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
84.367	Supporting Effective Instruction State Grant (Form	84.367A	3500	28,915,054	27,418,697	
84.367		WACAULFIELDSEED2019	3650	3,012	0	PT
<b>Federal Program 84.367 Total</b>				<b>28,918,066</b>	<b>27,418,697</b>	
84.369	Grants for State Assessments and Related Activities	84.369A	3500	4,980,415	0	
<b>Federal Program 84.369 Total</b>				<b>4,980,415</b>	<b>0</b>	
84.372	Statewide Longitudinal Data Systems	84.372A	3500	1,548,800	0	
<b>Federal Program 84.372 Total</b>				<b>1,548,800</b>	<b>0</b>	
84.377	School Improvement Grants	84.377A	3500	161,291	161,291	
<b>Federal Program 84.377 Total</b>				<b>161,291</b>	<b>161,291</b>	
84.382	Strengthening Minority-Serving Institutions	ASPIRE	6990	226,160	0	
<b>Federal Program 84.382 Total</b>				<b>226,160</b>	<b>0</b>	
84.407	Transition Programs for Students W/Intellectual DI		3650	211,998	0	
84.407		n/a	6990	292,523	0	
<b>Federal Program 84.407 Total</b>				<b>504,521</b>	<b>0</b>	
84.411	Education Innovation and Research (Formerly Invest	92-WA02-2019i3WP	3750	23,688	0	PT
84.411		92-WA02-202i3WP	3750	56,653	0	PT
<b>Federal Program 84.411 Total</b>				<b>80,341</b>	<b>0</b>	
84.424	Student Support and Academic Enrichment Program	84.424A	3500	14,258,641	13,728,094	
84.424		656735	6990	98,215	0	PT
<b>Federal Program 84.424 Total</b>				<b>14,356,856</b>	<b>13,728,094</b>	
84.425	COVID-19 – Education Stabilization Fund	COVID-19, 84.425D	3500	235,686,132	234,897,453	
84.425		COVID-19, 84.425R	3500	3,558,068	3,558,068	
84.425		COVID-19, 84.425U	3500	267,824	267,824	
84.425		COVID-19, 84.425C	3600	1,903,699	0	
84.425		COVID-19, 84.425E	3600	53,014,678	0	
84.425		COVID-19, 84.425F	3600	42,696,220	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
84.425	COVID-19 – Education Stabilization Fund	COVID-19, 84.425L	3600	69,693	0	
84.425		COVID-19, 84.425C	3650	1,329,228	0	
84.425		COVID-19, 84.425E	3650	15,332,524	0	
84.425		COVID-19, 84.425F	3650	417,477	0	
84.425		COVID-19, 84.425E	3700	5,531,659	0	
84.425		COVID-19, 84.425F	3700	11,375,941	0	
84.425		COVID-19, 84.425F ARP	3700	2,370,000	0	
84.425		COVID-19, 84.425C	3750	335,598	0	
84.425		COVID-19, 84.425E	3750	9,420,684	0	
84.425		COVID-19, 84.425F	3750	9,944,820	0	
84.425		COVID-19, 84.425C	3760	1,119,809	0	
84.425		COVID-19, 84.425E	3760	2,387,686	0	
84.425		COVID-19, 84.425F	3760	2,411,473	0	
84.425		COVID-19, 84.425M	3760	435,438	0	
84.425		COVID-19, 84.425C	3800	3,555,567	0	
84.425		COVID-19, 84.425E	3800	6,973,645	0	
84.425		COVID-19, 84.425F	3800	32,711,846	0	
84.425		COVID-19, 84.425 C	6990	36,767,769	0	
84.425		COVID-19, 84.425 D	6990	138,482	0	
84.425		COVID-19, 84.425 E	6990	56,485,719	0	
84.425		COVID-19, 84.425 F	6990	124,067,220	0	
84.425		COVID-19, 84.425 L	6990	942,887	0	
84.425		COVID-19, 84.425 M	6990	2,088,699	0	
<b>Federal Program 84.425 Total</b>				<b>663,340,485</b>	<b>238,723,345</b>	
84.426	Randolph-Sheppard-Financial Relief and Restoration		3150	192,635	0	
<b>Federal Program 84.426 Total</b>				<b>192,635</b>	<b>0</b>	
84.U01	Department of Education - Unknown CFDA Number	84.303 P033A204428	6990	14,827	0	
<b>Federal Program 84.U01 Total</b>				<b>14,827</b>	<b>0</b>	
84.U02	Department of Education - Unknown CFDA Number	Grays Harbor	6990	6,987	0	
<b>Federal Program 84.U02 Total</b>				<b>6,987</b>	<b>0</b>	
<b>Dept of Education Total</b>				<b>1,143,106,937</b>	<b>585,771,552</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Miscellaneous Commissions**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
90.401	Help America Vote Act Requirements Payments		0850	8,020,704	6,202,447	
<b>Federal Program 90.401 Total</b>				<b>8,020,704</b>	<b>6,202,447</b>	
90.404	COVID-19 – Covid-19 2018 HAVA Election Security Grants		0850	(2,645,750)	(2,690,832)	
<b>Federal Program 90.404 Total</b>				<b>(2,645,750)</b>	<b>(2,690,832)</b>	
<b>Miscellaneous Commissions Total</b>				<b>5,374,954</b>	<b>3,511,615</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.041	Special Programs for the Aging_ Title VII, Chapter		3000	72,469	69,969	
<b>Federal Program 93.041 Total</b>				<b>72,469</b>	<b>69,969</b>	
93.042	Special Programs for the Aging Title VII, Chapter		3000	477,271	0	
93.042	COVID-19 – Special Programs for the Aging Title VII, Chapter		3000	377,285	67,286	
<b>Federal Program 93.042 Total</b>				<b>854,556</b>	<b>67,286</b>	
93.043	Special Programs for the Aging_ Title III, Part D_D		3000	337,540	337,540	
<b>Federal Program 93.043 Total</b>				<b>337,540</b>	<b>337,540</b>	
93.048	Special Programs for the Aging Title Iv and Title		1600	189,806	0	
93.048			3000	275,011	145,195	
93.048	COVID-19 – Special Programs for the Aging Title Iv and Title		3000	739,728	739,728	
<b>Federal Program 93.048 Total</b>				<b>1,204,545</b>	<b>884,923</b>	
93.052	National Family Caregiver Support, Title III, Part		3000	4,087,988	3,829,144	
93.052	COVID-19 – National Family Caregiver Support, Title III, Part		3000	1,189,273	1,189,273	
<b>Federal Program 93.052 Total</b>				<b>5,277,261</b>	<b>5,018,417</b>	
93.059	Training in General, Pediatric, and Public Health		3600	755,626	0	
<b>Federal Program 93.059 Total</b>				<b>755,626</b>	<b>0</b>	
93.067	Global AIDS		3600	46,649,774	25,955,361	
93.067	COVID-19 – Global AIDS		3600	440,386	55,664	
93.067	Global AIDS	1802524PO1000000866AM	3600	32,096	0	PT
93.067		2020UWITECH001	3600	136,013	0	PT
93.067		2020UWITECH002	3600	77,072	0	PT
93.067		217708ITECH004MOD01	3600	5,188	0	PT
93.067		4454AM03	3600	53,340	31,811	PT
93.067		A149006AM03	3600	203,170	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.067	Global AIDS	A157946AM01	3600	176,985	0	PT
93.067		AM01	3600	102,552	0	PT
93.067		CDC57928401709063SUBA	3600	283,675	30,028	PT
93.067		UW666837	3600	115,646	0	PT
<b>Federal Program 93.067 Total</b>				<b>48,275,897</b>	<b>26,072,864</b>	
93.069	Public Health Emergency Preparedness		3030	9,725,282	5,488,875	
<b>Federal Program 93.069 Total</b>				<b>9,725,282</b>	<b>5,488,875</b>	
93.070	Environmental Public Health and Emergency Response		3030	744,387	48,878	
<b>Federal Program 93.070 Total</b>				<b>744,387</b>	<b>48,878</b>	
93.071	Medicare Enrollment Assistance Program		1600	208,971	0	
93.071			3000	69,302	69,302	
<b>Federal Program 93.071 Total</b>				<b>278,273</b>	<b>69,302</b>	
93.072	Lifespan Respite Care Program		3000	253,844	27,981	
<b>Federal Program 93.072 Total</b>				<b>253,844</b>	<b>27,981</b>	
93.079	Cooperative Agreements to Promote Adolescent Health		3500	27,629	0	
<b>Federal Program 93.079 Total</b>				<b>27,629</b>	<b>0</b>	
93.080	Blood Disorder Program: Prevention, Surveillance,	12047SC	3600	5,093	0	PT
<b>Federal Program 93.080 Total</b>				<b>5,093</b>	<b>0</b>	
93.082	Sodium Reduction in Communities	1171CDIPAM04	3600	19,069	0	PT
93.082		1171CDIPAM05	3600	59,098	0	PT
<b>Federal Program 93.082 Total</b>				<b>78,167</b>	<b>0</b>	
93.084	Prevention of Disease, Disability, and Death By in	11567615860001AM02	3600	69,317	0	PT
93.084		1164040486001AM03	3600	169,433	0	PT
93.084			3650	128,192	0	
<b>Federal Program 93.084 Total</b>				<b>366,942</b>	<b>0</b>	
93.086	Healthy Marriage Promotion and Responsible Fatherh		3100	396,181	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 93.086 Total</b>				<b>396,181</b>	<b>0</b>	
93.087	Enhance Safety of Children Affected By Substance A	132359001	3650	107,327	0	PT
<b>Federal Program 93.087 Total</b>				<b>107,327</b>	<b>0</b>	
93.090	Guardianship Assistance		3070	16,087	0	
93.090	COVID-19 – Guardianship Assistance		3070	2,413,447	0	
<b>Federal Program 93.090 Total</b>				<b>2,429,534</b>	<b>0</b>	
93.092	Affordable Care Act Personal Resp. Ed Program		3030	972,412	782,560	
<b>Federal Program 93.092 Total</b>				<b>972,412</b>	<b>782,560</b>	
93.093	Health Profession Opportunity Grants		6990	9,278,841	0	
<b>Federal Program 93.093 Total</b>				<b>9,278,841</b>	<b>0</b>	
93.104	Comprehensive Community Mental Health Services for		1070	1,698,332	0	
<b>Federal Program 93.104 Total</b>				<b>1,698,332</b>	<b>0</b>	
93.107	Area Health Education Centers Point of Service Mai		3600	698,840	516,571	
93.107	COVID-19 – Area Health Education Centers Point of Service Mai		3600	85,723	69,797	
<b>Federal Program 93.107 Total</b>				<b>784,563</b>	<b>586,368</b>	
93.110	Maternal and Child Health Federal Consolidated Pro		3030	106,024	4,800	
93.110			3600	1,972,661	269,761	
93.110		1920GWA101AM03	3600	16,782	0	PT
93.110		807958UW181AM03REV	3600	3,909	0	PT
93.110		GB10656PO2121838AM01	3600	(212)	0	PT
93.110		GB10656PO2121838AM02	3600	6,093	0	PT
<b>Federal Program 93.110 Total</b>				<b>2,105,257</b>	<b>274,561</b>	
93.116	Project Grants and Cooperative Agreements for Tube		3030	1,473,479	576,035	
<b>Federal Program 93.116 Total</b>				<b>1,473,479</b>	<b>576,035</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.118	Acquired Immunodeficiency Syndrome (AIDS) Activity		3030	149,819	141,693	
93.118		SG1068	3600	58,519	0	PT
<b>Federal Program 93.118 Total</b>				<b>208,338</b>	<b>141,693</b>	
93.127	Emergency Medical Services for Children		3030	144,927	34,000	
93.127		12174SUB	3600	21,237	0	PT
93.127		12428SUBMOD01	3600	86,868	0	PT
<b>Federal Program 93.127 Total</b>				<b>253,032</b>	<b>34,000</b>	
93.130	Cooperative Agreements to States/Territories for T		3030	275,864	109,759	
<b>Federal Program 93.130 Total</b>				<b>275,864</b>	<b>109,759</b>	
93.137	Community Programs to Improve Minority Health Gran		3600	445,724	0	
93.137		12194SUB	3600	6,918	0	PT
93.137		12437SUB	3600	4,927	0	PT
<b>Federal Program 93.137 Total</b>				<b>457,569</b>	<b>0</b>	
93.145	HIV-Related Training and Technical Assistance		3600	3,493,478	1,833,517	
93.145	COVID-19 – HIV-Related Training and Technical Assistance		3600	460,958	68,572	
<b>Federal Program 93.145 Total</b>				<b>3,954,436</b>	<b>1,902,089</b>	
93.150	Projects for Assistance in Transition From Homeles		1070	1,069,571	971,767	
<b>Federal Program 93.150 Total</b>				<b>1,069,571</b>	<b>971,767</b>	
93.153	Coordinated Services and Access to Research for Wo	UW660289	3600	4,490	0	PT
93.153		UW668550	3600	60,350	0	PT
<b>Federal Program 93.153 Total</b>				<b>64,840</b>	<b>0</b>	
93.161	COVID-19 – Health Program for Toxic Substances and Disease Re	1012132UW	3600	58,721	0	PT
93.161	Health Program for Toxic Substances and Disease Re	771120UW	3600	22,014	0	PT
93.161		771122UW	3600	20,146	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.161	Health Program for Toxic Substances and Disease Re	771122UWPO100202AM01	3600	139,026	0	PT
<b>Federal Program 93.161 Total</b>				<b>239,907</b>	<b>0</b>	
93.165	Grants to States for Loan Repayment Program		3400	711,614	0	
<b>Federal Program 93.165 Total</b>				<b>711,614</b>	<b>0</b>	
93.191	Graduate Psychology Education Program and Patient		3600	400,441	0	
<b>Federal Program 93.191 Total</b>				<b>400,441</b>	<b>0</b>	
93.197	Childhood Lead Poisoning Prevention Projects State		3030	317,345	0	
93.197		158689AM02	3600	43,946	0	PT
<b>Federal Program 93.197 Total</b>				<b>361,291</b>	<b>0</b>	
93.211	Telehealth Programs		3600	106,654	0	
93.211		5112962AM02	3600	134,840	0	PT
93.211		SP13977SB6AM03	3600	63,913	0	PT
<b>Federal Program 93.211 Total</b>				<b>305,407</b>	<b>0</b>	
93.236	Grants to States to Support Oral Health Workforce		3030	337,954	194,938	
93.236		19075010690AM01	3600	47,721	0	PT
93.236		19255010690AM03	3600	83,645	0	PT
<b>Federal Program 93.236 Total</b>				<b>469,320</b>	<b>194,938</b>	
93.237	Special Diabetes Program for Indians Diabetes Prev		3650	281,908	0	
<b>Federal Program 93.237 Total</b>				<b>281,908</b>	<b>0</b>	
93.240	COVID-19 – State Capacity Building		3030	339,184	0	
<b>Federal Program 93.240 Total</b>				<b>339,184</b>	<b>0</b>	
93.241	State Rural Hospital Flexibility Program		3030	892,413	297,117	
<b>Federal Program 93.241 Total</b>				<b>892,413</b>	<b>297,117</b>	
93.243	Substance Abuse and Mental Health Services_Project		1070	3,862,691	956,698	
93.243			3500	318,092	145,224	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.243	Substance Abuse and Mental Health Services_Project		3600	2,923,955	353,304	
93.243		2004352474AM02	3600	30,896	0	PT
93.243		4312021718665733LMOD02	3600	692,636	0	PT
93.243		UW638667	3600	232,794	0	PT
93.243			3650	416,500	0	
93.243			3700	109,864	0	
93.243		CSWE-71790	3700	3,914	0	PT
<b>Federal Program 93.243 Total</b>				<b>8,591,342</b>	<b>1,455,226</b>	
93.247	Advanced Nursing Education Grant Program		3100	651,064	0	
93.247			3600	1,886	0	
93.247			3650	700,309	55,330	
<b>Federal Program 93.247 Total</b>				<b>1,353,259</b>	<b>55,330</b>	
93.250	Geriatric Academic Career Awards		3600	78,101	0	
<b>Federal Program 93.250 Total</b>				<b>78,101</b>	<b>0</b>	
93.251	Early Hearing Detection and Intervention		3030	259,377	67,999	
<b>Federal Program 93.251 Total</b>				<b>259,377</b>	<b>67,999</b>	
93.266	Health Systems Strengthening and HIV/AIDS Preventi		3600	13,703,167	5,702,577	
93.266		582025	3600	3,201	0	PT
<b>Federal Program 93.266 Total</b>				<b>13,706,368</b>	<b>5,702,577</b>	
93.268	Immunization Cooperative Agreements		3030	9,171,977	1,421,568	
93.268			3030	78,042,570	78,042,570	NC
93.268	COVID-19 – Immunization Cooperative Agreements		3030	11,208,259	4,588,198	
<b>Federal Program 93.268 Total</b>				<b>98,422,806</b>	<b>84,052,336</b>	
93.270	Viral Hepatitis Prevention and Control		3030	496,799	124,959	
93.270			3600	329,064	0	
<b>Federal Program 93.270 Total</b>				<b>825,863</b>	<b>124,959</b>	
93.297	Teenage Pregnancy Prevention Program		3030	454,648	300,907	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 93.297 Total</b>				<b>454,648</b>	<b>300,907</b>	
93.300	National Center for Health Workforce Analysis		3600	876,121	19,880	
<b>Federal Program 93.300 Total</b>				<b>876,121</b>	<b>19,880</b>	
93.301	Small Rural Hospital Improvement Grant Program		3030	628,080	583,915	
93.301	COVID-19 – Small Rural Hospital Improvement Grant Program		3030	1,579,584	1,579,584	
<b>Federal Program 93.301 Total</b>				<b>2,207,664</b>	<b>2,163,499</b>	
93.305	PPHF 2018: Office of Smoking and Health-National S		3030	33,123	25,609	
<b>Federal Program 93.305 Total</b>				<b>33,123</b>	<b>25,609</b>	
93.314	Early Hearing Detection and Intervention Informati		3030	152,921	0	
<b>Federal Program 93.314 Total</b>				<b>152,921</b>	<b>0</b>	
93.318	Protecting and Improving Health Globally: Building		3600	454,025	0	
93.318	COVID-19 – Protecting and Improving Health Globally: Building		3600	784,276	0	
93.318	Protecting and Improving Health Globally: Building		3650	2,413,051	294,855	
<b>Federal Program 93.318 Total</b>				<b>3,651,352</b>	<b>294,855</b>	
93.322	COVID-19 – CSELS Partnership: Strengthening Public Health Lab	564012006162005	3600	74,456	0	PT
93.322	CSELS Partnership: Strengthening Public Health Lab	564012009442009	3600	3,118	0	PT
<b>Federal Program 93.322 Total</b>				<b>77,574</b>	<b>0</b>	
93.323	Epidemiology and Laboratory Capacity for Infectiou		3030	11,587,227	1,461,052	
93.323	COVID-19 – Epidemiology and Laboratory Capacity for Infectiou		3030	34,935,248	19,309,751	
<b>Federal Program 93.323 Total</b>				<b>46,522,475</b>	<b>20,770,803</b>	
93.324	State Health Insurance Assistance Program		1600	615,783	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 93.324 Total</b>				<b>615,783</b>	<b>0</b>	
93.325	Paralysis Resource Center	138637001	3650	7,730	0	PT
<b>Federal Program 93.325 Total</b>				<b>7,730</b>	<b>0</b>	
93.326	Strengthening Public Health Through Surveillance		3650	7,297,776	728,400	
<b>Federal Program 93.326 Total</b>				<b>7,297,776</b>	<b>728,400</b>	
93.336	Behavioral Risk Factor Surveillance System		3030	268,114	0	
<b>Federal Program 93.336 Total</b>				<b>268,114</b>	<b>0</b>	
93.354	Public Health Emergency Response: Cooperative Agree		3030	135,196	0	
93.354	COVID-19 – Public Health Emergency Response: Cooperative Agree		3030	3,514,833	2,728,307	
<b>Federal Program 93.354 Total</b>				<b>3,650,029</b>	<b>2,728,307</b>	
93.359	Nurse Education, Practice and Retention Grants		3600	794,910	88,581	
93.359	COVID-19 – Nurse Education, Practice and Retention Grants		3600	74,739	0	
<b>Federal Program 93.359 Total</b>				<b>869,649</b>	<b>88,581</b>	
93.367	Flexible Funding Model-Infrastructure Development		4950	659,358	0	
<b>Federal Program 93.367 Total</b>				<b>659,358</b>	<b>0</b>	
93.369	ACL Independent Living State Grants		3000	501,775	410,935	
<b>Federal Program 93.369 Total</b>				<b>501,775</b>	<b>410,935</b>	
93.380	The CDC Public Health Cancer Genomics Program Tran		3030	457,342	143,554	
<b>Federal Program 93.380 Total</b>				<b>457,342</b>	<b>143,554</b>	
93.387	National and State Tobacco Control Program		3030	1,295,270	587,671	
<b>Federal Program 93.387 Total</b>				<b>1,295,270</b>	<b>587,671</b>	
93.408	ARRA - Nurse Faculty Loan Program		3600	27,095	0	OL
93.408			3600	(6,108)	0	OL

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Federal Programs Not Clustered**

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 93.408 Total</b>				<b>20,987</b>	<b>0</b>	
93.413	The State Flexibility to Stabilize the Market Gran		1600	84,589	0	
<b>Federal Program 93.413 Total</b>				<b>84,589</b>	<b>0</b>	
93.421	Strengthening Public Health Systems and Services	0052020	3600	104,547	71,843	PT
93.421		1462021	3600	51,985	0	PT
93.421		1712021	3600	46,986	0	PT
93.421		2021040802	3600	893	0	PT
93.421		3482020	3600	24,440	0	PT
93.421	COVID-19 – Strengthening Public Health Systems and Services	AWD00000288SUB0000013	3600	24,227	0	PT
93.421	Strengthening Public Health Systems and Services	C1440AM02	3600	54,813	0	PT
93.421		G1288AM2	3600	(168)	0	PT
93.421		G1290AM1	3600	(4,083)	0	PT
93.421		G1291AM2	3600	4,795	0	PT
93.421		G1468AM01	3600	41,444	0	PT
93.421		G1511AM02	3600	142,596	0	PT
93.421		G1528MOD01	3600	50,363	0	PT
93.421		G1751	3600	265,023	0	PT
93.421		G1780AM01	3600	50,273	0	PT
93.421		UW669784	3600	60,341	0	PT
93.421		V178142020	3600	9,258	0	PT
<b>Federal Program 93.421 Total</b>				<b>927,733</b>	<b>71,843</b>	
93.426	Improving the Health of Americans Through Preventa		3030	1,559,250	522,615	
<b>Federal Program 93.426 Total</b>				<b>1,559,250</b>	<b>522,615</b>	
93.433	ACL National Institute on Disability, Independent		3600	3,081,914	290,355	
93.433		000513370002A05	3600	30,332	0	PT
93.433		000513370002AM04	3600	9,800	0	PT
93.433		1090604422918	3600	76,819	0	PT

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93.433	ACL National Institute on Disability, Independent	2020YR31800UWASHADA	3600	407	0	PT
93.433		2021YR41800UWASHINGT	3600	4,127	0	PT
93.433		2694UWBY2	3600	23,394	0	PT
93.433		2694UWBY2AM03	3600	38,566	0	PT
93.433		2694UWBY3AM03	3600	35,486	0	PT
93.433		7258AM01	3600	72,906	0	PT
93.433		7258AM02	3600	208,955	0	PT
93.433		8699	3600	5,501	0	PT
93.433			3650	438,005	60,752	
<b>Federal Program 93.433 Total</b>				<b>4,026,212</b>	<b>351,107</b>	
93.434	Every Student Succeeds Act/Preschool Development G		3070	9,133,702	834,932	
93.434		138375001	3650	58,271	0	PT
<b>Federal Program 93.434 Total</b>				<b>9,191,973</b>	<b>834,932</b>	
93.435	Innovative State and Local Public Health Strategie		3030	424,364	215,522	
<b>Federal Program 93.435 Total</b>				<b>424,364</b>	<b>215,522</b>	
93.436	Well-Integrated Screening and Evaluation for Women		3030	418,861	247,049	
<b>Federal Program 93.436 Total</b>				<b>418,861</b>	<b>247,049</b>	
93.439	State Physical Activity and Nutrition (Span)		3030	860,797	293,654	
<b>Federal Program 93.439 Total</b>				<b>860,797</b>	<b>293,654</b>	
93.448	Food Safety and Security Monitoring Project		3030	111,348	0	
93.448			4950	46,706	0	
<b>Federal Program 93.448 Total</b>				<b>158,054</b>	<b>0</b>	
93.461	COVID-19 – HRSA Covid-19 Claims Reimbursement for the Uninsur		3600	28,815,674	0	
<b>Federal Program 93.461 Total</b>				<b>28,815,674</b>	<b>0</b>	
93.464	ACL Assistive Technology		3600	805,732	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 93.464 Total</b>				<b>805,732</b>	<b>0</b>	
93.478	Preventing Maternal Deaths: Supporting Maternal Mo		3030	357,086	0	
<b>Federal Program 93.478 Total</b>				<b>357,086</b>	<b>0</b>	
93.488	National Harm Reduction Technical Assistance and S		3600	937,283	222,342	
<b>Federal Program 93.488 Total</b>				<b>937,283</b>	<b>222,342</b>	
93.498	COVID-19 – Provider Relief Fund		3050	2,656,598	0	
93.498			3600	65,553,000	0	
<b>Federal Program 93.498 Total</b>				<b>68,209,598</b>	<b>0</b>	
93.500	Pregnancy Assistance Fund Program		3030	190,675	130,100	
<b>Federal Program 93.500 Total</b>				<b>190,675</b>	<b>130,100</b>	
93.508	Affordable Care Act Tribal Maternal, Infant & Early	A71880MOD11	3600	42,050	0	PT
<b>Federal Program 93.508 Total</b>				<b>42,050</b>	<b>0</b>	
93.516	Public Health Training Centers Program		3600	751,066	23,662	
<b>Federal Program 93.516 Total</b>				<b>751,066</b>	<b>23,662</b>	
93.556	Marylee Allen Promoting Safe and Stable Families P		3070	5,529,142	0	
93.556		KC267300	3700	24,287	0	PT
93.556		KC281800	3700	178,084	0	PT
<b>Federal Program 93.556 Total</b>				<b>5,731,513</b>	<b>0</b>	
93.558	Temporary Assistance for Needy Families		3000	309,809,987	0	
93.558			6990	819,241	0	
93.558		1965-57676	6990	518,092	0	PT
93.558		2550	6990	80,433	0	PT
93.558		2642	6990	9,826,367	0	PT
<b>Federal Program 93.558 Total</b>				<b>321,054,120</b>	<b>0</b>	
93.563	Child Support Enforcement		3000	120,362,563	21,007,850	
<b>Federal Program 93.563 Total</b>				<b>120,362,563</b>	<b>21,007,850</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.566	Refugee and Entrant Assistance State Administered		1070	13,491	0	
93.566			3000	15,912,410	685,245	
93.566	COVID-19 – Refugee and Entrant Assistance State Administered		3000	896,035	885,267	
<b>Federal Program 93.566 Total</b>				<b>16,821,936</b>	<b>1,570,512</b>	
93.568	Low-Income Home Energy Assistance		1030	46,196,073	39,950,927	
93.568	COVID-19 – Low-Income Home Energy Assistance		1030	12,573,556	11,926,362	
<b>Federal Program 93.568 Total</b>				<b>58,769,629</b>	<b>51,877,289</b>	
93.569	Community Services Block Grant		1030	7,305,961	6,912,348	
93.569	COVID-19 – Community Services Block Grant		1030	4,461,499	4,256,522	
<b>Federal Program 93.569 Total</b>				<b>11,767,460</b>	<b>11,168,870</b>	
93.576	Refugee and Entrant Assistance_Discretionary Grant		3000	19,060	19,060	
93.576		2065-62923	6990	63,038	0	PT
<b>Federal Program 93.576 Total</b>				<b>82,098</b>	<b>19,060</b>	
93.586	State Court Improvement Program		0550	563,745	0	
<b>Federal Program 93.586 Total</b>				<b>563,745</b>	<b>0</b>	
93.590	Community-Based Child Abuse Prevention Grants		3070	1,152,381	425,093	
<b>Federal Program 93.590 Total</b>				<b>1,152,381</b>	<b>425,093</b>	
93.597	Grants to States for Access and Visitation Program		3000	140,043	134,992	
<b>Federal Program 93.597 Total</b>				<b>140,043</b>	<b>134,992</b>	
93.599	Chafee Education and Training Vouchers Program		3070	1,192,260	0	
<b>Federal Program 93.599 Total</b>				<b>1,192,260</b>	<b>0</b>	
93.602	Assets for Independence Demonstration Program		3650	381,965	0	
<b>Federal Program 93.602 Total</b>				<b>381,965</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.630	Developmental Disabilities Basic Support and Advoc		1030	1,190,589	274,665	
<b>Federal Program 93.630 Total</b>				<b>1,190,589</b>	<b>274,665</b>	
93.632	University Centers for Excellence in Developmental		3600	568,408	0	
93.632	COVID-19 – University Centers for Excellence in Developmental		3600	659	0	
<b>Federal Program 93.632 Total</b>				<b>569,067</b>	<b>0</b>	
93.643	Children's Justice Grants to States		3070	179,580	0	
<b>Federal Program 93.643 Total</b>				<b>179,580</b>	<b>0</b>	
93.645	Stephanie Tubbs Jones Child Welfare Services Progr		3070	5,390,297	0	
93.645	COVID-19 – Stephanie Tubbs Jones Child Welfare Services Progr		3070	744,650	0	
<b>Federal Program 93.645 Total</b>				<b>6,134,947</b>	<b>0</b>	
93.652	Adoption Opportunities		3070	1,363,902	0	
93.652		AM01	3600	202,938	0	PT
93.652		UW660712	3600	79,078	24,363	PT
93.652		UW661244	3600	8,082	0	PT
93.652		UW661680	3600	14,749	0	PT
93.652		UW667780	3600	27,849	0	PT
<b>Federal Program 93.652 Total</b>				<b>1,696,598</b>	<b>24,363</b>	
93.658	Foster Care Title Iv-E		3070	99,881,448	0	
93.658	COVID-19 – Foster Care Title Iv-E		3070	20,923,475	0	
93.658	Foster Care Title Iv-E	KC278400 Amend 3	3700	386,347	0	PT
93.658		KC279000 Amend 2	3700	1,235,773	76,956	PT
93.658		KC287600	3700	74,040	0	PT
<b>Federal Program 93.658 Total</b>				<b>122,501,083</b>	<b>76,956</b>	
93.659	Adoption Assistance		3070	9,819,270	0	
93.659	COVID-19 – Adoption Assistance		3070	48,798,150	0	
<b>Federal Program 93.659 Total</b>				<b>58,617,420</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.664	Substance Use Disorder Prevention That Promotes OP		1070	1,237,727	0	
<b>Federal Program 93.664 Total</b>				<b>1,237,727</b>	<b>0</b>	
93.665	COVID-19 – Covid-19 Emergency Grants to Address Mental&Substa		1070	1,219,747	638,000	
93.665			2450	1,168,151	1,168,151	
<b>Federal Program 93.665 Total</b>				<b>2,387,898</b>	<b>1,806,151</b>	
93.667	Social Services Block Grant		3000	5,675,000	0	
93.667			3070	34,426,977	0	
<b>Federal Program 93.667 Total</b>				<b>40,101,977</b>	<b>0</b>	
93.669	Child Abuse and Neglect State Grants		3070	1,253,100	0	
<b>Federal Program 93.669 Total</b>				<b>1,253,100</b>	<b>0</b>	
93.670	Child Abuse and Neglect Discretionary Activities		3070	263,660	50,845	
<b>Federal Program 93.670 Total</b>				<b>263,660</b>	<b>50,845</b>	
93.671	Family Violence Prevention and Services/Grants for		3000	2,157,402	2,085,831	
93.671	COVID-19 – Family Violence Prevention and Services/Grants for		3000	633,550	452,371	
<b>Federal Program 93.671 Total</b>				<b>2,790,952</b>	<b>2,538,202</b>	
93.674	John H. Chafee Foster Care Program for Successful		3070	3,427,725	2,612,208	
<b>Federal Program 93.674 Total</b>				<b>3,427,725</b>	<b>2,612,208</b>	
93.732	Mental and Behavioral Health Education and Trainin		3600	632,879	0	
<b>Federal Program 93.732 Total</b>				<b>632,879</b>	<b>0</b>	
93.734	Empowering Older Adults & Adults With Disabilities		3000	216,307	0	
<b>Federal Program 93.734 Total</b>				<b>216,307</b>	<b>0</b>	
93.735	State Public Health Approaches for Ensuring Quilti		3030	105,726	103,237	
<b>Federal Program 93.735 Total</b>				<b>105,726</b>	<b>103,237</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.747	Elder Abuse Prevention Interventions Program		3000	161,349	0	
<b>Federal Program 93.747 Total</b>				<b>161,349</b>	<b>0</b>	
93.761	Evidence-Based Falls Prevention Programs Fina		3030	129,832	72,377	
<b>Federal Program 93.761 Total</b>				<b>129,832</b>	<b>72,377</b>	
93.767	Children's Health Insurance Program		1070	150,516,945	0	
93.767	COVID-19 – Children's Health Insurance Program		1070	6,794,269	0	
93.767	Children's Health Insurance Program		3000	1,335,979	0	
93.767	COVID-19 – Children's Health Insurance Program		3000	60,059	0	
<b>Federal Program 93.767 Total</b>				<b>158,707,252</b>	<b>0</b>	
93.772	Tribal Public Health Capacity Building and Quality	PO237271AM01	3600	93,469	0	PT
<b>Federal Program 93.772 Total</b>				<b>93,469</b>	<b>0</b>	
93.788	Opioid Str		1070	28,818,214	22,252,159	
93.788		0010312300070912	3600	4,054	0	PT
93.788		0010341500070912	3600	118,789	0	PT
93.788			3650	490,773	0	
<b>Federal Program 93.788 Total</b>				<b>29,431,830</b>	<b>22,252,159</b>	
93.791	Money Follows the Person Rebalancing Demonstration		3000	25,263,319	161,585	
<b>Federal Program 93.791 Total</b>				<b>25,263,319</b>	<b>161,585</b>	
93.800	Organized Approaches to Increase Colorectal Cancer		3030	590,378	368,606	
<b>Federal Program 93.800 Total</b>				<b>590,378</b>	<b>368,606</b>	
93.810	Paul Coverdell National Acute Stroke Program Natio		3030	612,218	116,678	
<b>Federal Program 93.810 Total</b>				<b>612,218</b>	<b>116,678</b>	
93.817	Hospital Preparedness Program (HPP) Ebola Prepared		3030	642,615	624,454	
93.817	COVID-19 – Hospital Preparedness Program (HPP) Ebola Prepared		3030	573,462	564,269	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 93.817 Total</b>				<b>1,216,077</b>	<b>1,188,723</b>	
93.825	COVID-19 – National Ebola Training and Education Center (Nete)	3412093001002	3600	217,262	0	PT
93.825	National Ebola Training and Education Center (Nete)	UW665721	3600	14,828	0	PT
93.825		UW684048	3600	92,327	0	PT
<b>Federal Program 93.825 Total</b>				<b>324,417</b>	<b>0</b>	
93.860	COVID-19 – Emerging Infections Sentinel Networks	2022R1	3600	33,722	0	PT
<b>Federal Program 93.860 Total</b>				<b>33,722</b>	<b>0</b>	
93.870	Maternal, Infant and Early Childhood Home Visitin		3070	9,519,718	7,757,819	
<b>Federal Program 93.870 Total</b>				<b>9,519,718</b>	<b>7,757,819</b>	
93.876	Antimicrobial Resistance Surveillance in Retail Fo		3030	128,206	0	
<b>Federal Program 93.876 Total</b>				<b>128,206</b>	<b>0</b>	
93.877	Autism Collaboration, Accountability, Research, Ed		3600	176,521	0	
93.877		2000GYC804	3600	113,615	0	PT
<b>Federal Program 93.877 Total</b>				<b>290,136</b>	<b>0</b>	
93.884	Grants for Primary Care Training and Enhancement		3600	572,717	136,329	
93.884			3650	339,084	15,477	
<b>Federal Program 93.884 Total</b>				<b>911,801</b>	<b>151,806</b>	
93.889	National Bioterrorism Hospital Preparedness Progra		3030	3,502,726	2,365,866	
93.889	COVID-19 – National Bioterrorism Hospital Preparedness Progra		3030	1,205,515	1,023,995	
93.889	National Bioterrorism Hospital Preparedness Progra	11786SCAM01	3600	25,336	0	PT
<b>Federal Program 93.889 Total</b>				<b>4,733,577</b>	<b>3,389,861</b>	
93.898	Cancer Prevention and Control Programs for State,		3030	5,939,167	4,342,578	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Schedule of Expenditures of Federal Awards**

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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 93.898 Total</b>				<b>5,939,167</b>	<b>4,342,578</b>	
93.913	Grants to States for Operation of Offices of Rural		3030	197,957	104,069	
<b>Federal Program 93.913 Total</b>				<b>197,957</b>	<b>104,069</b>	
93.917	HIV Care Formula Grants		3030	17,690,912	492,269	
93.917	COVID-19 – HIV Care Formula Grants		3030	273,450	273,450	
<b>Federal Program 93.917 Total</b>				<b>17,964,362</b>	<b>765,719</b>	
93.924	Ryan White HIV/AIDS Dental Reimbursements/Communit	1013415_cl	6990	6,048	0	PT
<b>Federal Program 93.924 Total</b>				<b>6,048</b>	<b>0</b>	
93.940	HIV Prevention Activities_Health Department Based		3030	5,039,295	2,952,650	
<b>Federal Program 93.940 Total</b>				<b>5,039,295</b>	<b>2,952,650</b>	
93.944	Human Immunodeficiency Virus (HIV)/Acquired Immuno		3030	895,785	669,001	
<b>Federal Program 93.944 Total</b>				<b>895,785</b>	<b>669,001</b>	
93.945	Assistance Programs for Chronic Disease Prevention		3030	265,692	147,248	
93.945		12236SUB	3600	7,436	0	PT
<b>Federal Program 93.945 Total</b>				<b>273,128</b>	<b>147,248</b>	
93.946	Cooperative Agreements to Support State-Based Safe		3030	173,144	0	
<b>Federal Program 93.946 Total</b>				<b>173,144</b>	<b>0</b>	
93.958	Block Grants for Community Mental Health Services		1070	16,405,632	9,480,982	
93.958		1565-52693	3760	64,601	0	PT
93.958		21ASO2486	6990	43,086	0	PT
<b>Federal Program 93.958 Total</b>				<b>16,513,319</b>	<b>9,480,982</b>	
93.959	Block Grants for Prevention and Treatment of Subst		1070	48,770,593	29,380,665	
93.959		18332745160AM01	3600	9,323	0	PT
93.959		18332745160AM03	3600	52,021	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



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**Federal Programs Not Clustered**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.959	Block Grants for Prevention and Treatment of Subst	196354	3600	59,435	0	PT
<b>Federal Program 93.959 Total</b>				<b>48,891,372</b>	<b>29,380,665</b>	
93.969	PPHF Geriatric Education Centers		3600	827,969	332,819	
93.969	COVID-19 – PPHF Geriatric Education Centers		3600	85,414	28,249	
<b>Federal Program 93.969 Total</b>				<b>913,383</b>	<b>361,068</b>	
93.970	Health Professions Recruitment Program for Indians	1016600_WSU	3650	16,541	0	PT
93.970		1016600WSU	3650	16,964	0	PT
<b>Federal Program 93.970 Total</b>				<b>33,505</b>	<b>0</b>	
93.977	Sexually Transmitted Diseases (Std) Prevention and		3030	1,941,298	946,103	
<b>Federal Program 93.977 Total</b>				<b>1,941,298</b>	<b>946,103</b>	
93.981	Improving Student Health and Academic Achievement		3500	393,211	135,616	
93.981	COVID-19 – Improving Student Health and Academic Achievement		3500	283,237	0	
<b>Federal Program 93.981 Total</b>				<b>676,448</b>	<b>135,616</b>	
93.982	COVID-19 – Mental Health Disaster Assistance and Emergency Me		1070	2,882,150	2,814,326	
<b>Federal Program 93.982 Total</b>				<b>2,882,150</b>	<b>2,814,326</b>	
93.991	Preventive Health and Health Services Block Grant		3030	1,294,299	820,317	
<b>Federal Program 93.991 Total</b>				<b>1,294,299</b>	<b>820,317</b>	
93.994	Maternal and Child Health Services Block Grant to		3030	7,640,267	5,034,819	
<b>Federal Program 93.994 Total</b>				<b>7,640,267</b>	<b>5,034,819</b>	
93.U01	COVID-19 – HHS - Unknown CFDA Number	SP0001456201	3600	237,611	0	PT
<b>Federal Program 93.U01 Total</b>				<b>237,611</b>	<b>0</b>	
93.U02	HHS - Unknown CFDA Number	1004	6990	112,444	0	PT

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**Federal Programs Not Clustered**

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<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 93.U02 Total</b>				<b>112,444</b>	<b>0</b>	
93.U03	HHS - Unknown CFDA Number	12164SUB	3650	40,049	0	PT
<b>Federal Program 93.U03 Total</b>				<b>40,049</b>	<b>0</b>	
93.U04	HHS - Unknown CFDA Number	12427SUB	3650	34,477	0	PT
<b>Federal Program 93.U04 Total</b>				<b>34,477</b>	<b>0</b>	
93.U05	HHS - Unknown CFDA Number	136558	3650	59,114	0	PT
<b>Federal Program 93.U05 Total</b>				<b>59,114</b>	<b>0</b>	
93.U06	HHS - Unknown CFDA Number	161975	3650	(4)	0	
<b>Federal Program 93.U06 Total</b>				<b>(4)</b>	<b>0</b>	
93.U07	HHS - Unknown CFDA Number	19IPA1916684	3650	7,798	0	
<b>Federal Program 93.U07 Total</b>				<b>7,798</b>	<b>0</b>	
93.U08	HHS - Unknown CFDA Number	2037093	3650	(2,451)	0	
<b>Federal Program 93.U08 Total</b>				<b>(2,451)</b>	<b>0</b>	
93.U09	HHS - Unknown CFDA Number	WSU003495	3650	(44,538)	0	
<b>Federal Program 93.U09 Total</b>				<b>(44,538)</b>	<b>0</b>	
93.U10	HHS - Unknown CFDA Number	WSU003704	3650	85,363	0	PT
<b>Federal Program 93.U10 Total</b>				<b>85,363</b>	<b>0</b>	
93.U19	HHS - Unknown CFDA Number	HHSS283201200021i	1070	90,000	0	PT
93.U19		HHSS283201600001C	1070	112,141	0	PT
<b>Federal Program 93.U19 Total</b>				<b>202,141</b>	<b>0</b>	
<b>Dept of Health &amp; Human Services Total</b>				<b>1,533,887,556</b>	<b>353,696,244</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Corp for National & Community Service**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
94.002	Retired and Senior Volunteer Program		3750	6,701	0	
94.002			6990	55,724	0	
<b>Federal Program 94.002 Total</b>				<b>62,425</b>	<b>0</b>	
94.003	State Commissions		1050	291,898	0	
<b>Federal Program 94.003 Total</b>				<b>291,898</b>	<b>0</b>	
94.006	AmeriCorps		1050	12,203,834	5,417,390	
94.006		2320200	3600	159,129	0	PT
94.006			3800	210,029	0	
94.006			6990	67,304	0	
<b>Federal Program 94.006 Total</b>				<b>12,640,296</b>	<b>5,417,390</b>	
94.009	Training and Technical Assistance		1050	191,430	0	
<b>Federal Program 94.009 Total</b>				<b>191,430</b>	<b>0</b>	
94.013	Volunteers in Service to America		3800	133	0	
<b>Federal Program 94.013 Total</b>				<b>133</b>	<b>0</b>	
94.021	Volunteer Generation Fund		1050	171,325	0	
<b>Federal Program 94.021 Total</b>				<b>171,325</b>	<b>0</b>	
<b>Corp for National &amp; Community Service Total</b>				<b>13,357,507</b>	<b>5,417,390</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Executive Office of the President**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
95.001	High Intensity Drug Trafficking Areas Program		2250	432,543		0
95.001		C120331GSC	2250	5,499		0 PT
95.001		9001800032AM01	3600	13,787		0 PT
95.001		PRIMEG20NW0014A	3600	11,562		0 PT
<b>Federal Program 95.001 Total</b>				<b>463,391</b>		<b>0</b>
<b>Executive Office of the President Total</b>				<b>463,391</b>		<b>0</b>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Dept of Homeland Security**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
97.008	Non-Profit Security Program		2450	731,312	731,312	
<b>Federal Program 97.008 Total</b>				<b>731,312</b>	<b>731,312</b>	
97.012	Boating Safety Financial Assistance		4650	1,719,634	0	
<b>Federal Program 97.012 Total</b>				<b>1,719,634</b>	<b>0</b>	
97.023	Community Assistance Program State Support Service		4610	168,955	0	
<b>Federal Program 97.023 Total</b>				<b>168,955</b>	<b>0</b>	
97.029	Flood Mitigation Assistance		2450	1,433,283	1,372,039	
<b>Federal Program 97.029 Total</b>				<b>1,433,283</b>	<b>1,372,039</b>	
97.036	COVID-19 – Disaster Grants - Public Assistance (Presidential)		2450	512,024,146	512,024,146	
97.036		n/a	3750	11,618	0	PT
<b>Federal Program 97.036 Total</b>				<b>512,035,764</b>	<b>512,024,146</b>	
97.039	Hazard Mitigation Grant		2450	3,141,275	2,897,473	
<b>Federal Program 97.039 Total</b>				<b>3,141,275</b>	<b>2,897,473</b>	
97.041	National Dam Safety Program		4610	215,950	133,928	
<b>Federal Program 97.041 Total</b>				<b>215,950</b>	<b>133,928</b>	
97.042	Emergency Management Performance Grants		2450	7,446,990	4,887,329	
<b>Federal Program 97.042 Total</b>				<b>7,446,990</b>	<b>4,887,329</b>	
97.043	State Fire Training Systems Grants		2250	5,925	0	
<b>Federal Program 97.043 Total</b>				<b>5,925</b>	<b>0</b>	
97.044	Assistance to Firefighters Grant		2250	141,133	0	
<b>Federal Program 97.044 Total</b>				<b>141,133</b>	<b>0</b>	
97.045	Cooperating Technical Partners		2450	17,796	17,796	
97.045			4610	157,613	0	
97.045			4900	18,467	0	
<b>Federal Program 97.045 Total</b>				<b>193,876</b>	<b>17,796</b>	
97.046	Fire Management Assistance Grant		2450	31,899	31,899	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Programs Not Clustered**

**Dept of Homeland Security**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 97.046 Total</b>				<b>31,899</b>	<b>31,899</b>	
97.047	Pre-Disaster Mitigation		2450	1,494,818	1,175,249	
<b>Federal Program 97.047 Total</b>				<b>1,494,818</b>	<b>1,175,249</b>	
97.050	COVID-19 – Presidential Declared Disaster Assistance to Indiv		5400	725,681,136	0	
<b>Federal Program 97.050 Total</b>				<b>725,681,136</b>	<b>0</b>	
97.056	Port Security Grant Program		2250	95,557	0	
97.056			4050	273,676	0	
97.056			4770	391,336	0	
<b>Federal Program 97.056 Total</b>				<b>760,569</b>	<b>0</b>	
97.061	Centers for Homeland Security	1000003203	3600	51,595	0	PT
97.061		M2001779AM01	3600	202,261	0	PT
97.061		M2100785	3600	51,398	0	PT
97.061		UAAP0484663AM09	3600	107,779	0	PT
<b>Federal Program 97.061 Total</b>				<b>413,033</b>	<b>0</b>	
97.067	Homeland Security Grant Program		2450	12,119,853	11,177,111	
97.067		201907024	4770	24,893	0	PT
97.067		20SG.021	4770	32,032	0	PT
97.067		EMW-2018-SS-S01	4770	36,665	0	PT
97.067		Grant #E20-053	4770	8,367	0	PT
97.067		Stonegarden	4770	13,211	0	PT
97.067		WDFW #20-15863	4770	33,215	0	PT
97.067		WDFW #20-16571	4770	54,012	0	PT
97.067		WDFW #21-16863	4770	831	0	PT
<b>Federal Program 97.067 Total</b>				<b>12,323,079</b>	<b>11,177,111</b>	
97.082	Earthquake Consortium		2450	67,302	0	
<b>Federal Program 97.082 Total</b>				<b>67,302</b>	<b>0</b>	
97.091	Homeland Security Biowatch Program	GVL23566	3030	282,578	0	PT
<b>Federal Program 97.091 Total</b>				<b>282,578</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Dept of Homeland Security**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
97.133	Preparing for Emerging Threats and Hazards	K16631	2250	1,402	0	PT
<b>Federal Program 97.133 Total</b>				<b>1,402</b>	<b>0</b>	
97.U01	Homeland Security - Unknown CFDA Number	Agreement	4770	1,651	0	
<b>Federal Program 97.U01 Total</b>				<b>1,651</b>	<b>0</b>	
<b>Dept of Homeland Security Total</b>				<b>1,268,291,564</b>	<b>534,448,282</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**U.S. Agency for International Development**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
98.001	USAID Foreign Assistance for Programs Overseas		3600	1,097,592	423,934	
98.001		1024620010020011244000	3600	379,945	0	PT
98.001	COVID-19 – USAID Foreign Assistance for Programs Overseas	12269SCAM01	3600	14,995	0	PT
98.001	USAID Foreign Assistance for Programs Overseas	3497001	3600	1,950	0	PT
98.001		5113403AM04	3600	133,918	0	PT
98.001		AI9014AM01	3600	359,072	0	PT
98.001		CNVA000449784111052AM	3600	126,520	0	PT
98.001		DRCCGBVPRIUWMOD08	3600	84,468	75,164	PT
98.001		PQM2105	3600	48,910	0	PT
98.001	COVID-19 – USAID Foreign Assistance for Programs Overseas	TOPQMUW2CROSSBURE	3600	14,578	0	PT
98.001	USAID Foreign Assistance for Programs Overseas	UNR2062	3600	209,921	0	PT
98.001		UW662919	3600	273,263	0	PT
98.001		UW665237	3600	16,254	0	PT
98.001			3650	552,324	303,156	
98.001		45136419276	3650	7,190	0	PT
98.001		WSU004120	3650	28,794	0	PT
<b>Federal Program 98.001 Total</b>				<b>3,349,694</b>	<b>802,254</b>	
<b>U.S. Agency for International Development Total</b>				<b>3,349,694</b>	<b>802,254</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**Federal Programs Not Clustered**

**Undetermined Fed Agency**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
99.U01	Unknown Fed Agency Unknown CFDA Number	06.999 AH-276506	6990	174,812		0
<b>Federal Program 99.U01 Total</b>				<b>174,812</b>		<b>0</b>
<b>Undetermined Fed Agency Total</b>				<b>174,812</b>		<b>0</b>
<b>Federal Programs Not Clustered Total</b>				<b>19,058,451,081</b>	<b>2,880,870,466</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
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**Research and Development**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
10.001	Agricultural Research_Basic and Applied Research		3600	246,358	0	
10.001		DAA919653831MOD1	3600	20,616	0	PT
10.001			3650	2,923,181	0	
10.001		R0783AA	3650	74,261	0	PT
10.001		WSU003470	3650	133,542	0	PT
<b>Federal Program 10.001 Total</b>				<b>3,397,958</b>	<b>0</b>	
<b>Agricultural Research Service Total</b>				<b>3,397,958</b>	<b>0</b>	
10.200	Grants for Agricultural Research, Special Research		3600	983,964	467,230	
10.200			3650	996,173	274,397	
10.200		A180916S066	3650	(5)	0	PT
10.200		A180916S082	3650	7,188	0	PT
10.200		A20-1347-S061	3650	23,045	0	PT
10.200		A201347A010	3650	7,266	0	PT
10.200		A201347S002	3650	1,775	0	PT
10.200		A201347S003	3650	8,789	0	PT
10.200		A201347S005	3650	4,731	0	PT
10.200		A201347S029	3650	94,363	0	PT
10.200		A201347S036	3650	15,120	0	PT
10.200		A201347S041	3650	1,990	0	PT
10.200		A201347S058	3650	12,899	0	PT
10.200		A201347S059	3650	831	0	PT
10.200		AP4292870302	3650	14,424	0	PT
10.200		RC110588WSU	3650	34,654	0	PT
<b>Federal Program 10.200 Total</b>				<b>2,207,207</b>	<b>741,627</b>	
10.202	Cooperative Forestry Research		3600	582,827	0	
10.202			3650	402,382	0	
<b>Federal Program 10.202 Total</b>				<b>985,209</b>	<b>0</b>	
10.203	Payments to Agricultural Experiment Stations Under		3650	3,947,727	0	
<b>Federal Program 10.203 Total</b>				<b>3,947,727</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
10.207	Animal Health and Disease Research		3650	75,524	0	
<b>Federal Program 10.207 Total</b>				<b>75,524</b>	<b>0</b>	
10.212	Small Business Innovation Research	13772201	3650	26,127	0	PT
10.212		139060001	3650	2,590	0	PT
<b>Federal Program 10.212 Total</b>				<b>28,717</b>	<b>0</b>	
10.215	Sustainable Agriculture Research and Education	200592444	3650	1,597	0	PT
10.215		201207548	3650	85,329	32,680	PT
10.215		201207564	3650	71,300	0	PT
10.215		201207568	3650	16,030	0	PT
10.215		G10920W7504	3650	35,044	0	PT
10.215		G13020W7504	3650	282	0	PT
10.215		G13220W7504	3650	13,137	0	PT
10.215		G13520W7507	3650	3,592	165	PT
10.215		G15121W7902	3650	4,986	0	PT
10.215		G16219W7506	3650	9,766	0	PT
10.215		G16920W7507	3650	30,142	0	PT
10.215		G23620W7504	3650	681	0	PT
10.215		G23920W7506	3650	1,240	0	PT
10.215		G26219W7502	3650	15,629	0	PT
10.215		G36921W8612	3650	4,593	0	PT
<b>Federal Program 10.215 Total</b>				<b>293,348</b>	<b>32,845</b>	
10.219	Biotechnology Risk Assessment Research		3650	66,570	0	
<b>Federal Program 10.219 Total</b>				<b>66,570</b>	<b>0</b>	
<b>National Institute of Food and Agriculture Total</b>				<b>7,604,302</b>	<b>774,472</b>	
10.250	Agricultural and Rural Economic Research		3650	14,650	0	
<b>Federal Program 10.250 Total</b>				<b>14,650</b>	<b>0</b>	
<b>Economic Research Service Total</b>				<b>14,650</b>	<b>0</b>	
10.307	Organic Agriculture Research and Extension Initiat		3650	816,017	26,786	
10.307		202524666	3650	21,767	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Research and Development**

**Dept of Agriculture**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.307	Organic Agriculture Research and Extension Initiat	C0519AA	3650	16,255	0	PT
10.307		G19419W7408	3650	35,711	0	PT
10.307		WSU004151	3650	23,316	0	PT
<b>Federal Program 10.307 Total</b>				<b>913,066</b>	<b>26,786</b>	
10.310	Agriculture and Food Research Initiative (AFRI)		3600	1,601,956	354,038	
10.310		20142DRESCHLERNIFAA	3600	259,725	0	PT
10.310			3650	6,984,542	197,384	
10.310		0000000930	3650	44,370	0	PT
10.310		09486017405	3650	68,486	0	PT
10.310		09974217884	3650	68,370	0	PT
10.310		102117659	3650	143,160	0	PT
10.310		20160356617	3650	115,034	0	PT
10.310		21A550	3650	12,150	0	PT
10.310		24012W	3650	356	0	PT
10.310		58864Z5057201	3650	75,079	0	PT
10.310		8605PO137170	3650	20,335	0	PT
10.310		9500092668	3650	13,276	0	PT
10.310		9500092915	3650	9,115	0	PT
10.310		A181616S001	3650	10,595	0	PT
10.310		BGK418SB001	3650	21,542	0	PT
10.310		BJKQ80SB001	3650	151,901	0	PT
10.310		BKK664SB001	3650	9,446	0	PT
10.310		C4996	3650	89,866	0	PT
10.310		FAR0033162	3650	5,469	0	PT
10.310		M1903768	3650	463	0	PT
10.310		RC104967WSU	3650	216,341	0	PT
10.310		RC111302G	3650	32,556	0	PT
10.310		UFDSP00011803	3650	192,547	0	PT
10.310		3200003877-21-271 / 78	3800	8,014	0	PT
10.310			6990	30,010	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 10.310 Total</b>				<b>10,184,704</b>	<b>551,422</b>	
<b>National Institute of Food and Agriculture Total</b>				<b>11,097,770</b>	<b>578,208</b>	
10.680	Forest Health Protection	1101	3650	(1,342)	0	PT
10.680			4900	184,083	0	
10.680			4950	76,487	9,939	
<b>Federal Program 10.680 Total</b>				<b>259,228</b>	<b>9,939</b>	
<b>Forest Service Total</b>				<b>259,228</b>	<b>9,939</b>	
<b>Dept of Agriculture Total</b>				<b>22,373,908</b>	<b>1,362,619</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Commerce**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
11.417	Sea Grant Support		3600	3,418,203	850,577	
11.417	COVID-19 – Sea Grant Support		3600	25,813	12,168	
11.417	Sea Grant Support	364379AM02	3600	32,428	0	PT
11.417		426131	3600	2,562	0	PT
11.417		A211572S002	3600	17,074	0	PT
11.417		MA1310AM03	3600	56,617	0	PT
<b>Federal Program 11.417 Total</b>				<b>3,552,697</b>	<b>862,745</b>	
11.420	Coastal Zone Management Estuarine Research Reserve		3600	50,588	0	
11.420			4610	872,449	0	
<b>Federal Program 11.420 Total</b>				<b>923,037</b>	<b>0</b>	
11.427	Fisheries Development and Utilization Research and		3600	160,310	695	
11.427		UA210120	3600	7,585	0	PT
<b>Federal Program 11.427 Total</b>				<b>167,895</b>	<b>695</b>	
11.431	Climate and Atmospheric Research		3600	1,894,330	201,712	
11.431		NA291ABAM07	3600	29,675	0	PT
11.431		NA345AAAM01	3600	47,407	0	PT
<b>Federal Program 11.431 Total</b>				<b>1,971,412</b>	<b>201,712</b>	
11.432	National Oceanic and Atmospheric Administration (N		3600	20,796,808	104,583	
11.432		NA17NMF4270221	3800	6,735	0	PT
<b>Federal Program 11.432 Total</b>				<b>20,803,543</b>	<b>104,583</b>	
11.459	Weather and Air Quality Research		3600	98,108	0	
<b>Federal Program 11.459 Total</b>				<b>98,108</b>	<b>0</b>	
11.467	Meteorologic and Hydrologic Modernization Developm		2450	887,126	622,811	
<b>Federal Program 11.467 Total</b>				<b>887,126</b>	<b>622,811</b>	
11.468	Applied Meteorological Research		3600	272,943	0	
<b>Federal Program 11.468 Total</b>				<b>272,943</b>	<b>0</b>	
11.472	Unallied Science Program		3050	37,531	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
11.472	Unallied Science Program	1705AM01	3600	20,153	0	PT
11.472		177508AM04	3600	215,671	0	PT
11.472		180502AM02	3600	70,304	0	PT
11.472		180603AM01	3600	5,107	0	PT
11.472		180801AM02	3600	56,605	0	PT
11.472		1809AM01	3600	16,092	0	PT
11.472		1810	3600	1,809	0	PT
11.472		181301	3600	32,973	0	PT
11.472		1819AM01	3600	15,451	0	PT
11.472		1901AM001	3600	90,072	0	PT
11.472		1914A	3600	15,190	0	PT
11.472		2003A	3600	50,541	0	PT
11.472		2004G1AM02	3600	1,656	0	PT
11.472		2006AAM01	3600	10,214	0	PT
11.472		21146G	3600	1,263	0	PT
11.472		A9202CAM01	3600	104,735	0	PT
11.472		A9302BAM01	3600	1,645	0	PT
11.472		A9302C	3600	85,591	0	PT
11.472		A9400CAM01	3600	2,898	0	PT
11.472		COOP18082AM05	3600	56,039	0	PT
11.472		L3601A	3600	5,642	0	PT
11.472		L37-02A / F7437-02	3800	7,690	0	PT
11.472		L37-02B / F8437-02	3800	50,007	0	PT
11.472			4770	476,823	0	
11.472		0303.17.058776	4770	111,336	0	PT
11.472		Grant #0303.20/070437	4770	41,557	0	PT
<b>Federal Program 11.472 Total</b>				<b>1,584,595</b>	<b>0</b>	
<b>National Oceanic and Atmospheric Administration (N Total)</b>				<b>30,261,356</b>	<b>1,792,546</b>	
11.609	Measurement and Engineering Research and Standards		3600	219,319	0	
<b>Federal Program 11.609 Total</b>				<b>219,319</b>	<b>0</b>	
<b>National Institute of Standards and Technology (Ni Total)</b>				<b>219,319</b>	<b>0</b>	

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<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
11.RD	Commerce - Unknown CFDA Number	1305M318PNFFS0284P2100	3600	27,269		0
11.RD		1305M319PNRMJ0145	3600	(1,660)		0
11.RD		AB133F17CN0135	3600	73,737		0
11.RD		MA243766TO440225MOD0	3600	916		0 PT
<b>Federal Program 11.RD Total</b>				<b>100,262</b>		<b>0</b>
<b>Commerce Contract Number Only Provided Total</b>				<b>100,262</b>		<b>0</b>
<b>Dept of Commerce Total</b>				<b>30,580,937</b>	<b>1,792,546</b>	

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12.300	Basic and Applied Scientific Research		3600	16,467,337	1,805,958	
12.300		00009483AM03	3600	29,842	0	PT
12.300		1140209405780AM03	3600	(5,227)	0	PT
12.300		123179032POS9002435AM0	3600	425	0	PT
12.300		13294800AM04	3600	44,663	0	PT
12.300		28M1702181AM05	3600	85,661	0	PT
12.300		417318URFAOGR510770A	3600	47,214	0	PT
12.300		4500002947N00014181206	3600	164,608	0	PT
12.300		572339AM01	3600	20,211	0	PT
12.300		572339AM03	3600	83,335	0	PT
12.300		572339AM04	3600	14,666	0	PT
12.300		7855910699AM05	3600	359,290	0	PT
12.300		7855910699N00014161261	3600	35,674	0	PT
12.300		A10145413260300AM02	3600	168,173	0	PT
12.300		A1014551323480001AM1	3600	4,125	0	PT
12.300		A10146213296800AM02	3600	118,730	0	PT
12.300		E2045223AM03	3600	325,710	0	PT
12.300		F116803AM02	3600	148,431	0	PT
12.300		KK2108AM01	3600	13,754	0	PT
12.300		MES202001	3600	87,229	0	PT
12.300		N0357AA	3600	1,544	0	PT
12.300		US01	3600	10,346	0	PT
12.300			3650	649,691	9,079	
12.300		181106ONRSC03	3650	4,433	0	PT
12.300		18390	3650	18,845	0	PT
12.300		N0353AB	3650	6,728	0	PT
12.300		SUB0000233	3650	82,961	0	PT
12.300			4770	302,909	0	
<b>Federal Program 12.300 Total</b>				<b>19,291,308</b>	<b>1,815,037</b>	
<b>Department of the Navy, Office of the Chief of Nav Total</b>				<b>19,291,308</b>	<b>1,815,037</b>	
12.351	Basic Scientific Research - Combating Weapons of		3600	804,054	74,031	

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<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
12.351	Basic Scientific Research - Combating Weapons of	CNVA000583204139921AM	3600	61,644	0	PT
12.351			3650	433,489	14,990	
12.351		07137709652346	3650	106,068	0	PT
12.351		2004721972	3650	107,704	0	PT
12.351		BS12NBODTR002DTR0020	3650	58,901	0	PT
<b>Federal Program 12.351 Total</b>				<b>1,571,860</b>	<b>89,021</b>	
<b>Office of the Secretary of Defense Total</b>				<b>1,571,860</b>	<b>89,021</b>	
12.420	Military Medical Research and Development		3600	14,713,650	966,051	
12.420	COVID-19 – Military Medical Research and Development		3600	83,787	0	
12.420	Military Medical Research and Development	0000977406AM02	3600	260,704	0	PT
12.420		0000984530AM02	3600	90,416	0	PT
12.420		0001039633	3600	241,431	0	PT
12.420		0001042755	3600	40,166	0	PT
12.420		0001042759	3600	12,015	0	PT
12.420		025810314609AM04	3600	49,061	0	PT
12.420		025810314609AM05	3600	34,666	0	PT
12.420		025810314609AM06	3600	167,354	0	PT
12.420		10566SCAM03	3600	457,062	0	PT
12.420		11281SCAM01	3600	4,182	0	PT
12.420		11281SCAM02	3600	9,087	0	PT
12.420		1130213394810AM02	3600	(7)	0	PT
12.420		12187179901G1AM05	3600	345,603	0	PT
12.420		12287SUB	3600	95,406	0	PT
12.420		1670400AM02	3600	11,050	0	PT
12.420		1719GWB554AM02	3600	96,413	0	PT
12.420		2004209935AM02	3600	16,271	0	PT
12.420		2004338156AM02	3600	16,741	0	PT
12.420		201114	3600	1,783	0	PT
12.420		203758UWAM01	3600	101,954	0	PT

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12.420	Military Medical Research and Development	27R49457	3600	60,445	0	PT
12.420		4500002564	3600	12,509	0	PT
12.420		6986713291UW	3600	475,662	0	PT
12.420		6986713291UWAM02	3600	60,735	0	PT
12.420		8058311223AM02	3600	194,946	0	PT
12.420		8455SCAM10	3600	360,729	0	PT
12.420		AGMT00005361	3600	76,165	0	PT
12.420		CHAO202201AM03	3600	11,668	0	PT
12.420		CNVA0005666641361418A	3600	(1,000)	0	PT
12.420		GJ112GJ11SIBCR	3600	2,454	0	PT
12.420		GJ112GJ12SIBCR	3600	6,720	0	PT
12.420		GJ112LIUH1SIBCR	3600	(2,238)	0	PT
12.420		GJ112LIUH2SIBCRM01	3600	62,052	0	PT
12.420		GJ112MIRANG1SIBCR	3600	3,882	0	PT
12.420		GJ112MIRANG2SIBCR	3600	1,165	0	PT
12.420		GJ112UW1	3600	108,022	0	PT
12.420		MD13HALSNE4SIBCR	3600	7,578	0	PT
12.420		MD13HALSNE5SIBCRM0	3600	42,737	0	PT
12.420		MD13HB14SIBCR	3600	1,736	0	PT
12.420		MD13HB15SIBCRM01	3600	9,112	0	PT
12.420		MD13MD11SIBCRM01	3600	9,103	0	PT
12.420		MD13MD12SIBCR	3600	45,513	0	PT
12.420		MD13SHOFEJ1SIBCR	3600	5,986	0	PT
12.420		MD15HALSNE1SIBCR	3600	9,046	0	PT
12.420		ME14ME11SIBCRM02	3600	8,332	0	PT
12.420		ME14ME12SIBCR	3600	27,883	0	PT
12.420		MSRCFY1601MOD02	3600	302,644	12,969	PT
12.420		PE26LIN1SIBCR	3600	7,829	0	PT
12.420		PE26PE21SIBCR	3600	51,582	0	PT
12.420		PE26REINR1SIBCR	3600	38,453	0	PT
12.420		PE26SHOFEJ1SIBCR	3600	8,980	0	PT
12.420		PK17SHULEO1SIBCRM0D	3600	2,268	0	PT

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12.420	Military Medical Research and Development	R02087AM01	3600	37,827	0	PT
12.420		RC108014UW	3600	34,463	0	PT
12.420		RES515707	3600	9,842	0	PT
12.420		RM164REINR1SIBCR	3600	9,707	0	PT
12.420		RM164REINR2SIBCR	3600	29,121	0	PT
12.420		RM164SHOFEJ1SIBCR	3600	11,976	0	PT
12.420		S0186401	3600	15,674	0	PT
12.420		SUB00002109AM01	3600	169,568	0	PT
12.420		SUBK00003006AM07	3600	(1,221)	0	PT
12.420		SUBK00003006AM09	3600	9,598	0	PT
12.420		SUBK00014100AM01	3600	29,371	0	PT
12.420		UW665710	3600	19,645	0	PT
12.420		UWA281519PO67938703	3600	9,405	0	PT
12.420			3650	1,465,491	121,153	
<b>Federal Program 12.420 Total</b>				<b>20,711,960</b>	<b>1,100,173</b>	
<b>U.S. Army Medical Command Total</b>				<b>20,711,960</b>	<b>1,100,173</b>	
12.431	Basic Scientific Research		3600	2,322,331	526,123	
12.431		0000934254AM03	3600	14,028	0	PT
12.431		0518GWA899AM03	3600	114,680	0	PT
12.431		ASUB00000760	3600	50,211	0	PT
12.431		FT1920193	3600	252,965	0	PT
12.431		FT1921207	3600	2,667	0	PT
12.431		GG12239PO2275765	3600	28,112	0	PT
12.431		KK1810AM06	3600	52,774	0	PT
12.431		S4661PO236230AM03	3600	107,874	0	PT
12.431		S4661PO236230AM06	3600	182,444	0	PT
12.431			3650	924,287	2,175	
12.431		20150616603	3650	48,715	0	PT
12.431		A210235S001	3650	39,435	0	PT
<b>Federal Program 12.431 Total</b>				<b>4,140,523</b>	<b>528,298</b>	
<b>U.S. Army Materiel Command Total</b>				<b>4,140,523</b>	<b>528,298</b>	

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12.630	Basic, Applied, and Advanced Research in Science A		3600	1,217,159	109,640	
12.630		ARMTEC1901F07AM01	3600	297,859	177,426	PT
<b>Federal Program 12.630 Total</b>				<b>1,515,018</b>	<b>287,066</b>	
<b>Office of the Secretary of Defense Total</b>				<b>1,515,018</b>	<b>287,066</b>	
12.800	Air Force Defense Resch Sciences Program		3600	6,886,195	2,190,310	
12.800		3130864MOD03	3600	37,256	0	PT
12.800		707824874JAM11	3600	301,180	0	PT
12.800		89660Z8261201AMA	3600	25,473	0	PT
12.800		R01868AM03	3600	3,666	0	PT
12.800			3650	115,387	0	
12.800		10049788WSU	3650	115,344	0	PT
<b>Federal Program 12.800 Total</b>				<b>7,484,501</b>	<b>2,190,310</b>	
<b>Department of the Air Force, Materiel Command Total</b>				<b>7,484,501</b>	<b>2,190,310</b>	
12.902	Information Security Grant Program		3600	154,627	0	
12.902			6990	391,293	0	
<b>Federal Program 12.902 Total</b>				<b>545,920</b>	<b>0</b>	
<b>National Security Agency Total</b>				<b>545,920</b>	<b>0</b>	
12.910	Research and Technology Development		3600	7,626,935	1,113,906	
12.910		00010533AM01	3600	226,803	0	PT
12.910		15328351100270027AM05	3600	173,614	0	PT
12.910		28M1802338AM05	3600	137,892	0	PT
12.910		67102239AM06	3600	393,611	0	PT
12.910		SUB0000246AM04	3600	54,452	0	PT
12.910		SUB0000301AM04	3600	31,747	0	PT
12.910	COVID-19 – Research and Technology Development	VUMC81898AM02	3600	268,401	0	PT
12.910	Research and Technology Development		3650	357,477	0	
<b>Federal Program 12.910 Total</b>				<b>9,270,932</b>	<b>1,113,906</b>	
<b>Advanced Research Projects Agency Total</b>				<b>9,270,932</b>	<b>1,113,906</b>	
12.RD	DOD - Unknown CFDA Number	K13138	2250	191,581	0	

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12.RD	DOD - Unknown CFDA Number	11154SCW81XWH1590001	3600	44,953		0 PT
12.RD		1626431926C1MOD08	3600	95,700		0 PT
12.RD		163111	3600	3,146		0 PT
12.RD		1900231SUB000PO413537	3600	8,579		0 PT
12.RD		1940000022008STARUWM	3600	203,953		0 PT
12.RD		201818041000004	3600	810,206		0
12.RD		20190038MOD02	3600	144,233		0 PT
12.RD		20200043	3600	272,258		0 PT
12.RD		2020SLIMUWMOD01	3600	31,181		0 PT
12.RD		20210023	3600	1,397		0 PT
12.RD		208150UWAM01	3600	14,068		0 PT
12.RD		401102349AM06REV07	3600	66,914		0 PT
12.RD		69333Z8133201AMC	3600	32,765		0 PT
12.RD		6H23APLUWMOD01	3600	146,771		0 PT
12.RD		82887Z9434204	3600	80,472		0 PT
12.RD		90144MOD06	3600	97,601		0 PT
12.RD		9451	3600	22,230		0 PT
12.RD		A101493WHOIPROJECT10	3600	969,441		0 PT
12.RD		AFTTSENHUW002AM01	3600	169,419		0 PT
12.RD		AM01	3600	43,502		0 PT
12.RD		APLUW0674MOD02	3600	187,075		0 PT
12.RD		AWD001331S5	3600	7,404		0 PT
12.RD		CKM2STOTTLERHENKEU	3600	76,792		0 PT
12.RD		CS20180009AM01	3600	34,019		0 PT
12.RD		F1SRQ21085M001	3600	4,417		0
12.RD		FA489019PA002	3600	170,254		0
12.RD		FA875017C0219	3600	828,096		0
12.RD		GG12204PO2171664AM04	3600	51,054		0 PT
12.RD		H9823019C0445	3600	250,160		0
12.RD		HR001117C0076	3600	2,168,275	179,597	
12.RD		HR001117C0095	3600	2,322,128		0
12.RD		MA1400AM02	3600	1,480		0 PT

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12.RD	DOD - Unknown CFDA Number	MA1400AM034	3600	39,492	0	PT
12.RD		N0001412G0078N0001416F	3600	121,854	0	
12.RD		N000141712606	3600	24,191	0	PT
12.RD		N0001417C7033	3600	28,899	0	
12.RD		N0001418C2056	3600	96,979	0	
12.RD		N0001419C2054	3600	439,362	0	
12.RD		N0001419C2076	3600	2,372,325	0	
12.RD		N0002410D63180072	3600	424,093	0	
12.RD		N0002410D63180081	3600	1,377,636	323,196	
12.RD		N0002410D6318N0002417F	3600	487,750	0	
12.RD		N0002410D6318N0002418F	3600	4,240,950	123,547	
12.RD		N0002410D6318N0002419F	3600	3,687,669	1,130,566	
12.RD		N0002410D6318N0002420F	3600	8,691,207	1,935,459	
12.RD		N0002421D6400N0002421F	3600	1,555,230	0	
12.RD		N0016719F0051	3600	(9,780)	0	
12.RD		N3943016C1865	3600	70,630	0	
12.RD		N3943018C2075	3600	21,086	0	
12.RD		N6600120P6473	3600	80,601	0	
12.RD		NC6833517C0553	3600	325,894	0	PT
12.RD		NTRAP1802W81XWH18C0	3600	95,699	0	PT
12.RD		P010234707MOD01	3600	117,055	0	PT
12.RD		PE26UW1	3600	197,049	0	PT
12.RD		PO15945SD50MOD01	3600	76,624	0	PT
12.RD		PO3503381266E	3600	31,572	0	PT
12.RD		PO401153010	3600	14,942	0	PT
12.RD		PO40301399TCT13W8231S	3600	71,168	0	PT
12.RD		PO4104498406AM05	3600	12,419	0	PT
12.RD		PO44989MOD08	3600	338,434	0	PT
12.RD		PO47109MOD02	3600	347,469	0	PT
12.RD		PS150026MOD07	3600	(7,814)	0	PT
12.RD		RAPTR10000000061MOD0	3600	119,361	0	PT
12.RD		ROS002904AM04POROS07	3600	82,611	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
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**Research and Development**

**Dept of Defense**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.RD	DOD - Unknown CFDA Number	S09010WA01	3600	3,239	0	PT
12.RD		S200335004250UWA	3600	42,774	0	PT
12.RD		S644003552UWMOD05	3600	86,792	0	PT
12.RD		S729PO108018AM01	3600	39,965	0	PT
12.RD		SC00031AM1	3600	195,164	0	PT
12.RD		SC1712603AM02	3600	14,077	0	PT
12.RD		SC1712603MOD05	3600	571,784	0	PT
12.RD		SCN09654MOD0003	3600	78,934	0	PT
12.RD		SCN09654MOD0004	3600	1,106,091	0	PT
12.RD		SCN09662REF00K4861200	3600	40,519	0	PT
12.RD		STTRN19AT023	3600	687	0	PT
12.RD		SUBCONTRACT89236AM0	3600	(2,468)	0	PT
12.RD		TXS0149769CHG02	3600	62,844	0	PT
12.RD		UW662852	3600	9,418	0	PT
12.RD		UW663508	3600	8,495	(16,000)	PT
12.RD		UW664564	3600	32,059	0	PT
12.RD		UW666356	3600	161,848	0	PT
12.RD		UW667155	3600	9,888	0	PT
12.RD		UW667434	3600	18,667	0	PT
12.RD		UW667838	3600	46,839	0	PT
12.RD		UW668289	3600	266,433	0	PT
12.RD		UW669254	3600	72,740	0	PT
12.RD		UW686205	3600	50,465	0	PT
12.RD		W81XWH16C0020	3600	900,290	0	
12.RD		W911NF17C0043	3600	781,269	23,379	
12.RD		W9127N16P0022	3600	5,662	0	
12.RD		W912CG20C0032	3600	103,891	7,334	
12.RD		W912DW16P0104	3600	24	0	
12.RD		W912HQ17C0034	3600	1,564	0	
12.RD		W912HQ17C0034P00003	3600	3,936	0	
12.RD		W912HQ18C0023	3600	412,615	0	
12.RD		W912HQ18C0066	3600	146,731	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Research and Development**

**Dept of Defense**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
12.RD	DOD - Unknown CFDA Number	W912HQ18C0067	3600	120,079		0
12.RD		W912HQ19C0058	3600	201,509		0
12.RD		W912HQ20C0061	3600	206,335		0
12.RD		W912HQ20C0072	3600	4,046		0
12.RD		W912HQ20P0067	3600	44,336		0
12.RD		1107043WSU	3650	4,188		0
12.RD		1352	3650	101		0
12.RD		17082801	3650	(39,509)		0 PT
12.RD		190305042959	3650	99,273		0 PT
12.RD		19050301	3650	17,824		0 PT
12.RD		19400036135601	3650	259,451		0 PT
12.RD		19400036138901	3650	2,056,137		0 PT
12.RD		20127P	3650	137,293		0 PT
12.RD		20802	3650	95,987		0 PT
12.RD		21177P	3650	30,204		0 PT
12.RD		3323200201841	3650	22,933		0 PT
12.RD		9436	3650	23,405		0 PT
12.RD		ARM212WSU	3650	36,326		0 PT
12.RD		EXMATWSU20P0004	3650	64,103		0 PT
12.RD		MASIOSUB0007112	3650	14,531		0 PT
12.RD		TASKORDERRELEASE003	3650	4,531		0
12.RD		TASKORDERRELEASE004	3650	1,003		0
12.RD		W31P4Q17P0151	3650	1		0
12.RD		W81XWH20C0124	3650	41,967		0
12.RD		N62473-20-2-0005	4770	102,414		0
12.RD		W911S8-19-2-0011	4770	23,017		0
12.RD		W911S8-19-2-0013	4770	381		0
12.RD		W9127N-20-C-0015	4770	470,476		0
12.RD		W912DW21P0019	4770	39,742		0
<b>Federal Program 12.RD Total</b>				<b>44,479,501</b>	<b>3,707,078</b>	
<b>DOD Contract Number Only Provided Total</b>				<b>44,479,501</b>	<b>3,707,078</b>	
<b>Dept of Defense Total</b>				<b>109,011,523</b>	<b>10,830,889</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Research and Development**

**Dept of the Interior**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
15.560	Secure Water Act - Research Agreements		3600	112,674	0	
<b>Federal Program 15.560 Total</b>				<b>112,674</b>	<b>0</b>	
<b>Bureau of Reclamation Total</b>				<b>112,674</b>	<b>0</b>	
15.664	Fish and Wildlife Coordination and Assistance Prog		3650	59,421	0	
15.664			4770	115,929	0	
<b>Federal Program 15.664 Total</b>				<b>175,350</b>	<b>0</b>	
<b>Fish and Wildlife Service Total</b>				<b>175,350</b>	<b>0</b>	
15.805	Assistance to State Water Resources Research Insti		3650	118,901	2,353	
<b>Federal Program 15.805 Total</b>				<b>118,901</b>	<b>2,353</b>	
15.807	Earthquake Hazards Program Assistance		3600	289,410	0	
15.807			3750	264,861	0	
<b>Federal Program 15.807 Total</b>				<b>554,271</b>	<b>0</b>	
15.808	U.S. Geological Survey_ Research and Data Collecti		3600	4,277,005	0	
15.808			3650	7,261	0	
15.808			3700	46,214	0	
15.808			3750	93,736	0	
15.808			3800	31,655	0	
15.808			4610	35,177	0	
<b>Federal Program 15.808 Total</b>				<b>4,491,048</b>	<b>0</b>	
15.812	Cooperative Research Units Program		3600	652,153	14,519	
15.812		21622162013352	3600	363	0	PT
<b>Federal Program 15.812 Total</b>				<b>652,516</b>	<b>14,519</b>	
15.818	Volcano Hazards Prog Res & Monitoring		3600	263,918	0	
<b>Federal Program 15.818 Total</b>				<b>263,918</b>	<b>0</b>	
<b>U.S. Geological Survey Total</b>				<b>6,080,654</b>	<b>16,872</b>	
15.945	Cooperative Research & Training Pgrom Resources Na		3600	206,012	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**Research and Development**

**Dept of the Interior**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
15.945	Cooperative Research & Training Pgrm Resources Na		3650	51,300		0
15.945			3750	6,215		0
15.945			3760	9,519		0
15.945			3800	18,578		0
<b>Federal Program 15.945 Total</b>				<b>291,624</b>		<b>0</b>
<b>National Park Service Total</b>				<b>291,624</b>		<b>0</b>
15.RD	Department of the Interior - Unknown CFDA Number	140F0718P0086	3600	1		0
15.RD		140G0119P0111P00002	3600	27,092		1,292
15.RD		140L0118P0053P00004	3600	(1,237)		0
15.RD		140M012P0013	3600	10,110		155
15.RD		1905094AM02	3600	(1)		0 PT
15.RD		AM04	3600	35,364		0 PT
15.RD		UW667015	3600	9,270		0 PT
<b>Federal Program 15.RD Total</b>				<b>80,599</b>		<b>1,447</b>
<b>DOI Contract Number Only Provided Total</b>				<b>80,599</b>		<b>1,447</b>
<b>Dept of the Interior Total</b>				<b>6,740,901</b>		<b>18,319</b>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Research and Development**

**Dept of Justice**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
16.560	National Institute of Justice Research, Evaluation		2250	70,234	0	
16.560			3600	787,314	121,069	
16.560		UW664160	3600	(14,854)	0	PT
16.560			3650	483,675	12,550	
<b>Federal Program 16.560 Total</b>				<b>1,326,369</b>	<b>133,619</b>	
<b>National Institute of Justice Total</b>				<b>1,326,369</b>	<b>133,619</b>	
<b>Dept of Justice Total</b>				<b>1,326,369</b>	<b>133,619</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Research and Development**

**Dept of State**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
19.RD	Department of State - Unknown CFDA Number	RFQPC158062MOD05	3600	286		0
<b>Federal Program 19.RD Total</b>				<b>286</b>		<b>0</b>
<b>State Contract Number Only Provided Total</b>				<b>286</b>		<b>0</b>
<b>Dept of State Total</b>				<b>286</b>		<b>0</b>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Research and Development**

**Dept of Transportation**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
20.108	Aviation Research Grants		3600	157,110	28,214	
20.108			4050	5,040	0	
<b>Federal Program 20.108 Total</b>				<b>162,150</b>	<b>28,214</b>	
20.109	Air Transportation Centers of Excellence		3600	409,534	38,107	
20.109			3650	581,338	0	
<b>Federal Program 20.109 Total</b>				<b>990,872</b>	<b>38,107</b>	
<b>Federal Aviation Administration (Faa) Total</b>				<b>1,153,022</b>	<b>66,321</b>	
20.200	Highway Research and Development Program	23506AM01	3600	68,904	0	PT
20.200			3650	10,869	0	
20.200		1033080	3650	54,368	0	PT
20.200			4050	2,228,452	0	
<b>Federal Program 20.200 Total</b>				<b>2,362,593</b>	<b>0</b>	
<b>Federal Highway Administration (FHWA) Total</b>				<b>2,362,593</b>	<b>0</b>	
20.RD	Department of Transportation - Unknown CFDA Number	160140019MOD04	3600	104,717	0	PT
20.RD		160140MOD02	3600	24,037	0	PT
20.RD		160140TASKORDER029M	3600	27,276	0	PT
20.RD		693JJ321C000004P00001	3600	177,883	0	
20.RD		743493POUS001000074349	3600	94,447	0	PT
20.RD		AM1	3600	8,637	0	PT
20.RD		POUS0010000778774	3600	55,126	0	PT
20.RD		POUS0010000778774MOD3	3600	67,185	0	PT
20.RD		TOPR715001RR07UW	3600	13,428	0	PT
20.RD		TOPR715001RR07UWMOD	3600	14,083	0	PT
20.RD		UW662130	3600	30,339	0	PT
<b>Federal Program 20.RD Total</b>				<b>617,158</b>	<b>0</b>	
<b>DOT Contract Number Only Provided Total</b>				<b>617,158</b>	<b>0</b>	
<b>Dept of Transportation Total</b>				<b>4,132,773</b>	<b>66,321</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
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**Research and Development**

**National Aeronautics & Space Admin**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
43.003	Exploration		3600	64,835	31,271	
<b>Federal Program 43.003 Total</b>				<b>64,835</b>	<b>31,271</b>	
43.009	Safety, Security and Mission Services		3600	38,651	0	
43.009			3650	14,679	0	
<b>Federal Program 43.009 Total</b>				<b>53,330</b>	<b>0</b>	
<b>National Aeronautic &amp; Space Administration Total</b>				<b>118,165</b>	<b>31,271</b>	
43.RD	National Aeronautics and Space Administration - Un	120233MOD09	3600	68,037	0	PT
43.RD		120233MOD10	3600	61,250	0	PT
43.RD		120233MOD11	3600	161,488	0	PT
43.RD		1303809MOD33	3600	110,371	0	PT
43.RD		1318945MOD29	3600	129,665	0	PT
43.RD		1542830MOD11	3600	59,176	0	PT
43.RD		1587724MOD04	3600	20,250	0	PT
43.RD		1634821MOD03	3600	380,328	28,122	PT
43.RD		1655697MOD03	3600	204,034	0	PT
43.RD		1657522MOD01	3600	64,714	0	PT
43.RD		2003281677AM05	3600	38,082	0	PT
43.RD		200337076AM09	3600	88,369	0	PT
43.RD		NNG16PJ28CMOD08	3600	348,983	175,465	
43.RD		PO20170038	3600	24,950	0	PT
43.RD		PY2426122727DAM34	3600	20,007	0	PT
43.RD		SC1526158MOD09	3600	129,797	0	PT
43.RD		SC1652001MOD03	3600	9,149	0	PT
43.RD		SPACEDOC22017001	3600	9,885	0	PT
43.RD		UW663895	3600	84,665	0	PT
43.RD		UW665850	3600	140,032	0	PT
<b>Federal Program 43.RD Total</b>				<b>2,153,232</b>	<b>203,587</b>	
<b>NASA Contract Number Only Provided Total</b>				<b>2,153,232</b>	<b>203,587</b>	
<b>National Aeronautics &amp; Space Admin Total</b>				<b>2,271,397</b>	<b>234,858</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
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**Research and Development**

**National Science Foundation**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.041	Engineering		3600	14,567,124	809,456	
47.041	COVID-19 – Engineering		3600	275,364	4,387	
47.041	Engineering	00009375AM08	3600	179,405	0	PT
47.041		07796615619AM05	3600	2,457	0	PT
47.041		10001604005AM01	3600	20,716	0	PT
47.041		105584141AM01	3600	7,229	0	PT
47.041		1240505104118AM06	3600	75,957	0	PT
47.041		1556900AM01	3600	30,641	0	PT
47.041	COVID-19 – Engineering	194NS1C5308	3600	25,589	0	PT
47.041	Engineering	2019UWALGBTQMOD02	3600	13,748	0	PT
47.041		4500003860	3600	5,505	0	PT
47.041		47985219124A	3600	152,936	0	PT
47.041		47985219124MOD01	3600	145,495	0	PT
47.041		8901911283AM01	3600	77,770	0	PT
47.041		A006111201AM01	3600	32,138	0	PT
47.041		A006827801	3600	9,474	0	PT
47.041		A138575UWSBIRSTTR	3600	52,573	0	PT
47.041		A145636AM02	3600	45,229	0	PT
47.041		A160090S001AM02	3600	10,144	0	PT
47.041		A211719S002	3600	13,458	0	PT
47.041		GR105156CON80001606A	3600	112,875	0	PT
47.041		S1738AAAM05	3600	(89)	0	PT
47.041		S2239AA	3600	28,069	0	PT
47.041		UTA15000857AM05	3600	503	0	PT
47.041		UTA20000984	3600	36,458	0	PT
47.041		UW666579	3600	10,000	0	PT
47.041		UW684085	3600	26,502	0	PT
47.041		WU19255MOD1	3600	(13,464)	0	PT
47.041			3650	2,167,326	65,842	
47.041		1123272-390398	3650	15,340	0	PT
47.041		135456001	3650	36,792	0	PT
47.041		2825004301S26	3650	1,297	793	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**National Science Foundation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
47.041	Engineering	FAR0032826	3650	36,023	0	PT
47.041		FY2020018	3650	104,687	0	PT
47.041		S2746.1-01-00	3750	7,355	0	PT
47.041			3800	14,259	0	
<b>Federal Program 47.041 Total</b>				<b>18,326,885</b>	<b>880,478</b>	
47.049	Mathematical and Physical Sciences		3600	13,730,139	178,757	
47.049		00010006AM01	3600	38,153	0	PT
47.049		0009390AM04	3600	110,476	0	PT
47.049		203405468AM04	3600	145,657	0	PT
47.049		27473	3600	29,517	0	PT
47.049		A217002	3600	49,484	0	PT
47.049		A374567AM03	3600	91,917	0	PT
47.049		N51948CAM06	3600	3,350,432	0	PT
47.049		RC104177UWAM07	3600	80,684	0	PT
47.049		SSP546	3600	81,356	0	PT
47.049		SSP547	3600	135,082	0	PT
47.049			3650	1,560,802	0	
47.049			3700	61,550	0	
47.049			3750	18,314	0	
47.049		3-8-710-890	3750	151	0	PT
47.049			3800	1,312,437	0	
47.049		1T9A	6990	5,250	0	PT
<b>Federal Program 47.049 Total</b>				<b>20,801,401</b>	<b>178,757</b>	
47.050	Geosciences		3600	21,352,189	514,829	
47.050		000000506AM02	3600	41,759	0	PT
47.050		1247	3600	957	0	PT
47.050		14386AM05PRNSF1338810	3600	3,817	0	PT
47.050		182708UW	3600	46,936	0	PT
47.050		18352AM04	3600	197,419	0	PT
47.050		202111	3600	62,744	0	PT
47.050		5857UWNSF8934AM03	3600	61,246	0	PT
47.050		8057210906MOD02	3600	10,257	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Research and Development**

**National Science Foundation**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.050	Geosciences	A101403	3600	5,911,561	0	PT
47.050		A101403AM08	3600	3,637,433	0	PT
47.050		A101403AM10	3600	16,509	0	PT
47.050		A101403AMEND10	3600	57,628	0	PT
47.050		A101403AMEND3	3600	326,595	0	PT
47.050		A101403AMEND8	3600	21,982	0	PT
47.050		E2048691AM02	3600	44,247	0	PT
47.050		KK1641AM05	3600	8,523	0	PT
47.050		KK2137	3600	20,679	0	PT
47.050		KR704187AM001	3600	21,713	0	PT
47.050		KR704367	3600	14,751	0	PT
47.050		PO2011050	3600	1,058,442	0	PT
47.050		PO2011050MOD01	3600	79,242	0	PT
47.050		PO2110546	3600	14,152	0	PT
47.050		S2119AAAM02	3600	71,903	0	PT
47.050		S431504AM01	3600	183,872	0	PT
47.050		SU19100107UWA02TO103	3600	28,160	0	PT
47.050		SU19100107UWATO102	3600	10,316	0	PT
47.050		SUB0000005AM12	3600	249,768	0	PT
47.050		SUB0000386	3600	558,194	0	PT
47.050		SUB0000386AM01	3600	154,975	0	PT
47.050		SUBAWD000130MOD03	3600	5,337	0	PT
47.050		SUBAWD001365MODM01	3600	63,881	0	PT
47.050			3650	1,443,169	1,430	
47.050		18190166SUB	3650	8,238	0	PT
47.050		GG1259002	3650	19,674	0	PT
47.050		IBK289SB001	3650	111,813	0	PT
47.050		SUB0000169	3650	5,646	0	PT
47.050		WSU003361	3650	6,958	0	PT
47.050			3750	93,519	0	
47.050		202920-03	3750	448	0	PT
47.050		S18-EAR1724794-S1	3750	115,856	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**National Science Foundation**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
47.050	Geosciences		3800	331,121	0	
47.050			6990	78,038	0	
<b>Federal Program 47.050 Total</b>				<b>36,551,667</b>	<b>516,259</b>	
47.070	Computer and Information Science and Engineering		3600	17,173,219	369,151	
47.070	COVID-19 – Computer and Information Science and Engineering		3600	293,802	0	
47.070	Computer and Information Science and Engineering	000105501564351	3600	44,786	0	PT
47.070		1121PO1215394MOD01	3600	14,247	0	PT
47.070		121847117MPINVS9002372	3600	191,248	0	PT
47.070		1556133AM04	3600	131,869	0	PT
47.070		2006061Z2AM01	3600	4,394	0	PT
47.070		201242480AM04	3600	212,426	0	PT
47.070		203405442AM01	3600	70,741	0	PT
47.070		27338Z4338001AME	3600	34,367	0	PT
47.070		47959019124	3600	53,958	0	PT
47.070		47959019124A	3600	47,805	0	PT
47.070		56086Z4322002AMB	3600	16,695	0	PT
47.070		80001038101UG000431AM	3600	5,868	0	PT
47.070		91563015AM03	3600	54,390	0	PT
47.070		A006581303AM002	3600	84,232	0	PT
47.070		CIF2020UW06	3600	64,125	0	PT
47.070		CIF2020UW53	3600	62,168	0	PT
47.070		GA11473PO2271430	3600	8,751	0	PT
47.070		RC107561UW	3600	(62)	0	PT
47.070		S4742PO263721AM02	3600	27,226	0	PT
47.070		SUB0000281AM03	3600	96,318	0	PT
47.070		UNIV61688	3600	14,752	0	PT
47.070		UTA20000943AM01	3600	232,962	0	PT
47.070			3650	3,507,530	475,475	
47.070		10054032WSU	3650	41,795	0	PT
47.070		19062062011806	3650	175,647	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**National Science Foundation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
47.070	Computer and Information Science and Engineering	Z0051A-B	3650	37,516	0	PT
47.070			3800	82,410	0	
<b>Federal Program 47.070 Total</b>				<b>22,785,185</b>	<b>844,626</b>	
47.074	Biological Sciences		3600	6,478,569	715,670	
47.074	COVID-19 – Biological Sciences		3600	537,256	0	
47.074	Biological Sciences	00001	3600	9,243	0	PT
47.074		00009877AM02	3600	1,810	0	PT
47.074		1658PO1392504	3600	8,088	0	PT
47.074		170251616821AM02	3600	121,357	35,420	PT
47.074		3004946906AM01	3600	16,049	0	PT
47.074		3357200201908AM01	3600	86,277	0	PT
47.074		493174AM02	3600	14,802	0	PT
47.074		612075UWAM22	3600	133,109	0	PT
47.074		C000509742AM04	3600	63,264	0	PT
47.074		C000671931	3600	35,763	0	PT
47.074		KK2128	3600	32,932	0	PT
47.074			3650	3,868,700	119,148	
47.074		17014S1	3650	40,160	0	PT
47.074		20171	3650	96,958	0	PT
47.074		2017978001	3650	15,413	0	PT
47.074		5GG014070	3650	13,760	0	PT
47.074		9500073626	3650	21,098	0	PT
47.074		C000573932	3650	85,612	0	PT
47.074		C000622112	3650	117,861	0	PT
47.074		SF0037	3650	2,455	0	PT
47.074			3700	69,179	0	
47.074		RR167-627/S000812	3750	28,051	0	PT
47.074			3760	91,676	0	
47.074			3800	1,555,632	0	
47.074		UAF 18-0059/P0521291	3800	211,202	0	PT
47.074		UAF 18-0059/P0521291 C	3800	3,882	0	PT

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**Research and Development**

**National Science Foundation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 47.074 Total</b>				<b>13,760,158</b>	<b>870,238</b>	
47.075	Social, Behavioral, and Economic Sciences		3600	4,140,032	2,326	
47.075	COVID-19 – Social, Behavioral, and Economic Sciences		3600	43,969	0	
47.075	Social, Behavioral, and Economic Sciences	3029105288S01AM02	3600	28,415	0	PT
47.075		62383Z4787001	3600	5,216	0	PT
47.075	COVID-19 – Social, Behavioral, and Economic Sciences	PO0000137333AM01	3600	14,000	0	PT
47.075	Social, Behavioral, and Economic Sciences	SUB0000421AM01	3600	77,625	0	PT
47.075		UW664661	3600	14,247	0	PT
47.075			3650	299,797	151	
47.075		40460WSU	3650	8,318	0	PT
47.075		48043319276	3650	53,406	0	PT
47.075		SFI20160914	3650	39,149	0	PT
47.075			3800	54,921	0	
47.075		577846/PO 4598691	3800	4,055	0	PT
<b>Federal Program 47.075 Total</b>				<b>4,783,150</b>	<b>2,477</b>	
47.076	Education and Human Resources		3600	16,441,111	1,390,837	
47.076		0000001018AM01	3600	41,499	0	PT
47.076		007800	3600	11,788	0	PT
47.076		0435600001MOD02	3600	164,365	0	PT
47.076		0499000001	3600	41,462	0	PT
47.076		09546417496AM02	3600	4,588	0	PT
47.076		1760002760UW	3600	18,399	0	PT
47.076		18717UW	3600	15,389	0	PT
47.076		190115665485949AM01	3600	55,922	0	PT
47.076		2008Z0BAM01	3600	10,163	0	PT
47.076		2012U0B	3600	4,954	0	PT
47.076		206002C	3600	41,905	0	PT
47.076		210148807001AM01	3600	28,507	0	PT
47.076		2430501819	3600	5,333	0	PT
47.076		60053825WASHAMA01	3600	56,793	0	PT

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**Research and Development**

**National Science Foundation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
47.076	Education and Human Resources	61462251126900AM04	3600	17,960	0	PT
47.076		C800404AM01	3600	23,840	0	PT
47.076		EDC12423GN1850447	3600	1,786	0	PT
47.076		EDC12423GN1850447AM0	3600	6,551	0	PT
47.076		KK1938	3600	167,970	0	PT
47.076		NSF0009901	3600	4,120	0	PT
47.076		RC107451UWAM02	3600	69,879	0	PT
47.076		UW665931	3600	3,699	0	PT
47.076		UW668074	3600	11,878	0	PT
47.076			3650	1,873,789	12,561	
47.076		0499000002	3650	30,758	0	PT
47.076		134038001	3650	3,325	0	PT
47.076		13890001	3650	34,172	0	PT
47.076		139000	3650	37,996	0	PT
47.076		140002	3650	5,415	0	PT
47.076		CRESCENT-01	3650	55,869	0	PT
47.076		DUE1700496WSU	3650	42,496	0	PT
47.076		WSU_ITEST	3650	701	0	PT
47.076		WSU003988	3650	(17,313)	0	PT
47.076		WSU004153	3650	110,834	0	PT
47.076		WSUMATEEVALUATECO	3650	15,807	0	PT
47.076			3700	352,815	5,208	
47.076			3750	421,163	56,271	
47.076			3760	123,306	0	
47.076			3800	1,026,524	0	
47.076		1557894/PO 1001210788	3800	1,366	0	PT
47.076		1826637 / WWU-18-2	3800	5,400	0	PT
47.076			6990	5,857,474	0	
47.076		1304405	6990	3,950	0	PT
47.076		1601587	6990	34,383	0	PT
47.076		1700674	6990	103,107	0	PT
47.076		1T15	6990	5,349	0	PT

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**Research and Development**

**National Science Foundation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
47.076	Education and Human Resources	1T3A	6990	6,655	0	PT
47.076		371	6990	30,469	0	PT
47.076		44003	6990	18,759	0	PT
47.076		44676	6990	3,381	0	PT
47.076		60160	6990	3,726	0	PT
47.076		64710	6990	6,813	0	PT
47.076		763689	6990	8,625	0	PT
47.076		n/a	6990	9,315	0	PT
<b>Federal Program 47.076 Total</b>				<b>27,466,290</b>	<b>1,464,877</b>	
47.078	Polar Programs		3600	594,226	0	
47.078			3650	8,046	0	
47.078			3750	11,206	0	
47.078			3800	32,862	0	
<b>Federal Program 47.078 Total</b>				<b>646,340</b>	<b>0</b>	
47.079	Office of International Science and Engineering		3600	119,053	0	
47.079		FP065300C54405486012AM	3600	305,546	0	PT
47.079	COVID-19 – Office of International Science and Engineering	G20201267159	3600	1,218	0	PT
47.079	Office of International Science and Engineering		3650	11,707	0	
47.079		OISE19655020	3650	9,575	0	PT
47.079			3750	1,429	0	
<b>Federal Program 47.079 Total</b>				<b>448,528</b>	<b>0</b>	
47.083	Integrative Activities		3600	1,154,300	247,258	
47.083	COVID-19 – Integrative Activities		3600	42,804	32,474	
47.083	Integrative Activities	AWD101485SUB00000351A	3600	120,996	0	PT
47.083		UNIV61841	3600	137,476	0	PT
47.083			3800	57,454	0	
<b>Federal Program 47.083 Total</b>				<b>1,513,030</b>	<b>279,732</b>	
<b>National Science Foundation Total</b>				<b>147,082,634</b>	<b>5,037,444</b>	
47.RD	NSF - Unknown CFDA Number	UW639293	3600	10,187	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**National Science Foundation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
47.RD	NSF - Unknown CFDA Number	1836038	3650	148,080		0
47.RD		2030984	3650	269,460		0
47.RD		WSU004040	3650	107		0
<b>Federal Program 47.RD Total</b>				<b>427,834</b>		<b>0</b>
<b>NSF - Contract Number Only Provided Total</b>				<b>427,834</b>		<b>0</b>
<b>National Science Foundation Total</b>				<b>147,510,468</b>	<b>5,037,444</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



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**Research and Development**

**Environmental Protection Agency**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
66.034	Surveys, Studies, Research, Investigations, Demons		4610	693,309	161,219	
<b>Federal Program 66.034 Total</b>				<b>693,309</b>	<b>161,219</b>	
<b>Office of Air and Radiation Total</b>				<b>693,309</b>	<b>161,219</b>	
66.509	Science to Achieve Results (Star) Research Program		3600	764,891	264,843	
66.509		1080358364871AM05	3600	66,599	0	PT
66.509		1080358364872AM02	3600	3,769	0	PT
66.509		1080358364874AM05	3600	13,390	0	PT
66.509			3650	112,951	0	
<b>Federal Program 66.509 Total</b>				<b>961,600</b>	<b>264,843</b>	
<b>Office of Research and Development Total</b>				<b>961,600</b>	<b>264,843</b>	
66.RD	Environmental Protection Agy-Unknown CFDA Number	4975RFA191209AM01	3600	135,170	0	PT
66.RD		C20190479	3600	9,085	0	PT
66.RD		TAA18003MOD02	3600	(430)	0	PT
66.RD		UW684088	3600	15,151	0	PT
<b>Federal Program 66.RD Total</b>				<b>158,976</b>	<b>0</b>	
<b>EPA Contract Number Only Provided Total</b>				<b>158,976</b>	<b>0</b>	
<b>Environmental Protection Agency Total</b>				<b>1,813,885</b>	<b>426,062</b>	

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**Research and Development**

**Dept of Energy**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
81.049	Office of Science Financial Assistance		3600	20,009,340	2,367,357	
81.049		1GG014496	3600	639,065	0	PT
81.049		1GG014496AM01	3600	108,748	0	PT
81.049		202123	3600	6,577	0	PT
81.049		5108338AM04	3600	19,061	0	PT
81.049		A180354S002AM03	3600	80,086	0	PT
81.049		C000554181AM03	3600	77,474	0	PT
81.049		C000634211AM01	3600	95,505	0	PT
81.049		UW800214	3600	(2,790)	0	PT
81.049		UW807314	3600	28,953	0	PT
81.049		UW807331	3600	37,318	0	PT
81.049		UW807440	3600	44,818	0	PT
81.049			3650	2,852,976	234,694	
81.049		135871	3650	114,764	0	PT
81.049		14000496003	3650	36,826	0	PT
81.049		23021W	3650	304,275	0	PT
81.049		2512150123011	3650	93,819	0	PT
81.049		321180	3650	132,420	0	PT
81.049		511933	3650	46,515	0	PT
81.049		531171	3650	279,305	0	PT
81.049		740058874P	3650	(6,971)	0	PT
81.049		A210036S006	3650	26,316	0	PT
81.049		BJKQ05SB001	3650	13,789	0	PT
81.049		G14821W8564	3650	47,713	0	PT
81.049		RC105251	3650	264,870	0	PT
81.049		UTA20001016	3650	26,875	0	PT
<b>Federal Program 81.049 Total</b>				<b>25,377,647</b>	<b>2,602,051</b>	
<b>Headquarters Office Total</b>				<b>25,377,647</b>	<b>2,602,051</b>	
81.086	Conservation Research and Development		3600	1,315,562	45,874	
81.086			3650	420,147	42,617	
81.086		137317001	3650	48,699	11,097	PT
81.086		137491001	3650	27,959	0	PT

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**Dept of Energy**

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81.086	Conservation Research and Development	BPA 74488	3700	217,197	0	PT
<b>Federal Program 81.086 Total</b>				<b>2,029,564</b>	<b>99,588</b>	
81.087	Renewable Energy Research and Development		3600	4,989,040	1,945,119	
81.087		4012025BAM03	3600	130,469	0	PT
81.087		G0152ABAM09	3600	97,378	0	PT
81.087		SCN1007304AM03	3600	106,420	0	PT
81.087		UW665842	3600	95,466	0	PT
81.087		UW667179	3600	4,344	0	PT
81.087			3650	2,801,565	460,298	
81.087		0190GXA493	3650	92,355	0	PT
81.087		06S170616	3650	36,041	0	PT
81.087		10011557	3650	49,783	0	PT
81.087		10052221WSU	3650	87,855	0	PT
81.087		520014036	3650	4,590	0	PT
81.087		DEEE00078880608	3650	103,179	0	PT
81.087		DOEWS872900	3650	7,274	0	PT
81.087		M1900171	3650	6,028	0	PT
81.087			4900	84,998	70,654	
<b>Federal Program 81.087 Total</b>				<b>8,696,785</b>	<b>2,476,071</b>	
<b>Energy Efficiency and Renewable Energy Total</b>				<b>10,726,349</b>	<b>2,575,659</b>	
81.089	Fossil Energy Research and Development	UTA17000308AM06	3600	52,471	0	PT
<b>Federal Program 81.089 Total</b>				<b>52,471</b>	<b>0</b>	
<b>Office of Fossil Energy Total</b>				<b>52,471</b>	<b>0</b>	
81.113	Defense Nuclear Nonproliferation Research	AWD000372G1	3650	221,397	0	PT
<b>Federal Program 81.113 Total</b>				<b>221,397</b>	<b>0</b>	
<b>National Nuclear Security Administration Total</b>				<b>221,397</b>	<b>0</b>	
81.135	Advanced Research Projects Agency - Energy		3600	481,872	0	
81.135		1556660AM01	3600	104,320	0	PT
81.135		A147661DEAR0001010AM	3600	11,812	0	PT

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**Dept of Energy**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.135	Advanced Research Projects Agency - Energy	A147661DEAR0001010AM	3600	220,393	0	PT
81.135		UFDSP00012001AM04	3600	52,540	0	PT
81.135		UW667972	3600	47,398	0	PT
81.135		UW668502	3600	163,931	0	PT
81.135			3650	259,703	0	
81.135		0000000025	3650	56,344	0	PT
<b>Federal Program 81.135 Total</b>				<b>1,398,313</b>	<b>0</b>	
<b>Electricity Delivery &amp; Energy Reliab 1000 Total</b>				<b>1,398,313</b>	<b>0</b>	
81.214	Environmental Monitoring/Cleanup Cultural Rsrc Mgt		2450	664,842	549,527	
81.214			3030	720,390	0	
81.214			4610	2,958,768	0	
<b>Federal Program 81.214 Total</b>				<b>4,344,000</b>	<b>549,527</b>	
<b>Savannah River Operations Office Total</b>				<b>4,344,000</b>	<b>549,527</b>	
81.RD	Department of Energy - Unknown CFDA Number	00076910REL00011	3600	190,901	0	
81.RD		00076910REL10	3600	79,197	0	
81.RD		072021	3600	32,944	0	PT
81.RD		112020	3600	53,006	0	PT
81.RD		134124G00397114AM002	3600	238,566	0	PT
81.RD		134124G003971AM002	3600	400	0	PT
81.RD		168751MOD01	3600	53,176	0	PT
81.RD		190039MOD01	3600	59,170	0	PT
81.RD		1F60406	3600	29,365	0	PT
81.RD		1F60417M0001	3600	14,336	0	PT
81.RD		1F60432	3600	1,461	0	PT
81.RD		243766TO257527MOD01	3600	28,989	0	PT
81.RD		252206AM015	3600	105,993	0	PT
81.RD		344693AM05	3600	11,280	0	PT
81.RD		344773AM06	3600	132,684	0	PT
81.RD		364211MOD02	3600	105,777	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Research and Development**

**Dept of Energy**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.RD	Department of Energy - Unknown CFDA Number	388432	3600	17,214	0	PT
81.RD		391075	3600	1,909	0	PT
81.RD		391075AM01	3600	30,138	0	PT
81.RD		4000158760MOD05	3600	66,491	0	PT
81.RD		4000184536	3600	25,204	0	PT
81.RD		4000186509	3600	14,003	0	PT
81.RD		436061MOD05	3600	44,856	0	PT
81.RD		507420MOD02	3600	94,116	0	PT
81.RD		520128MOD03	3600	48,394	0	PT
81.RD		522609MOD02	3600	12,600	0	PT
81.RD		571319	3600	1,956	0	PT
81.RD		590135BASIC592837	3600	34,584	0	PT
81.RD		665638MOD02	3600	197,269	0	PT
81.RD		666484MOD01	3600	398,871	0	PT
81.RD		7374375MOD16	3600	544,306	0	PT
81.RD		76910REL08	3600	144,489	0	
81.RD		76910REL12	3600	87,779	0	
81.RD		76910REL9CR335172	3600	103,293	0	
81.RD		7F30111MOD06	3600	165,818	0	PT
81.RD		8F30037M0D10	3600	53,674	0	PT
81.RD		8F30064M0004	3600	105,665	0	PT
81.RD		9F60043M0002	3600	155,345	0	PT
81.RD		9F60194MOD03	3600	1,737	0	PT
81.RD		A144534DEAR0001098MO	3600	439,002	0	PT
81.RD		A151091AM01	3600	83,233	0	PT
81.RD		AWD102934S1AM02	3600	59,317	0	PT
81.RD		B621663MOD06	3600	43,688	0	PT
81.RD		B638049DEAC5207NA2734	3600	13,390	0	PT
81.RD		B639494MOD01	3600	48,467	0	PT
81.RD		B643872	3600	71,829	0	PT
81.RD		CR34218876910REL13	3600	200,494	0	
81.RD		CR34218976910REL14	3600	166,717	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Energy**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.RD	Department of Energy - Unknown CFDA Number	CR34291876910REL16	3600	170,912	0	
81.RD		CR34291976910REL15	3600	128,940	0	
81.RD		DSIUW20181AM01	3600	25,109	0	PT
81.RD		MA243766TO348483MOD0	3600	(23,715)	0	PT
81.RD		MA243766TO354654MOD0	3600	7,589	0	PT
81.RD		MA243766TO356518MOD0	3600	11,124	0	PT
81.RD		MA243766TO402123MOD0	3600	(290)	0	PT
81.RD		MA243766TO403450MOD0	3600	9,356	0	PT
81.RD		MA243766TO415934MOD0	3600	(33)	0	PT
81.RD		MA243766TO424177MOD0	3600	172,093	0	PT
81.RD		MA243766TO432652MOD0	3600	117,319	0	PT
81.RD		MA243766TO445357MOD0	3600	19,655	0	PT
81.RD		MA243766TO450523MOD0	3600	178,250	0	PT
81.RD		MA243766TO456355MOD0	3600	65,906	0	PT
81.RD		MA243766TO456356MOD0	3600	43,941	0	PT
81.RD		MA243766TO463721	3600	10,654	0	PT
81.RD		MA243766TO468365MOD0	3600	49,547	0	PT
81.RD		MA243766TO474096MOD0	3600	166,199	0	PT
81.RD		MA243766TO474098REV1	3600	145,684	0	PT
81.RD		MA487139TO493071	3600	4,983	0	PT
81.RD		MA487139TO495959MOD0	3600	33,166	0	PT
81.RD		MA487139TO495960MOD0	3600	23,072	0	PT
81.RD		MA487139TO500469	3600	43,885	0	PT
81.RD		MA487139TO502654MOD1	3600	(4,902)	0	PT
81.RD		MA487139TO503070MOD0	3600	12,193	0	PT
81.RD		MA487139TO510568MOD0	3600	23,147	0	PT
81.RD		MA487139TO513654	3600	27,943	0	PT
81.RD		MA487139TO516528MOD0	3600	58,597	0	PT
81.RD		MA487139TO516639	3600	56,481	0	PT
81.RD		MA487139TO523245	3600	23,123	0	PT
81.RD		MA487139TO527552	3600	33,180	0	PT
81.RD		MA487139TO534807MOD0	3600	92,388	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Energy**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
81.RD	Department of Energy - Unknown CFDA Number	MA487139TO535499MOD0	3600	113,747	0	PT
81.RD		MA487139TO539233	3600	51,798	0	PT
81.RD		MA487139TO539234	3600	45,676	0	PT
81.RD		MA487139TO539425MOD0	3600	295,667	0	PT
81.RD		MA487139TO542796MOD0	3600	22,977	0	PT
81.RD		MA487139TO544470	3600	49,230	0	PT
81.RD		MA487139TO545987	3600	10,402	0	PT
81.RD		MA487139TO549009	3600	18,618	0	PT
81.RD		MA487139TO549157	3600	79,219	0	PT
81.RD		MA487139TO554401MOD0	3600	11,745	0	PT
81.RD		MA487139TO555131	3600	68,680	0	PT
81.RD		MA487139TO559235	3600	61,606	0	PT
81.RD		MA487139TO564330MOD0	3600	4,521	0	PT
81.RD		MA487139TO574823	3600	3,983	0	PT
81.RD		MTA487139TO517874	3600	29,727	0	PT
81.RD		PO2098317	3600	5,962	0	PT
81.RD		S017736	3600	8,985	0	PT
81.RD		S017997	3600	51,277	0	PT
81.RD		SAWDWD00850	3600	32,138	0	PT
81.RD		SUB202110505	3600	14,620	0	PT
81.RD		TASK540909MASTER4871	3600	64,591	0	PT
81.RD		TASKORDER335418MOD0	3600	3,648	0	PT
81.RD		TEAMERTBUW	3600	22,435	0	PT
81.RD		TO321938MOD06	3600	61,383	0	PT
81.RD		TO386893MASTER243766	3600	202,953	0	PT
81.RD		TO386893MOD04MASTER	3600	121,882	0	PT
81.RD		TO495233MA487139	3600	34,008	0	PT
81.RD		UW800210	3600	368	0	PT
81.RD		UW800212	3600	(2,651)	0	PT
81.RD		UW800293	3600	(936)	0	PT
81.RD		UW807172	3600	18,405	0	
81.RD		UW807335	3600	34,485	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Research and Development**

**Dept of Energy**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 81.RD Total</b>				<b>7,879,738</b>		<b>0</b>
<b>DOE Contract Number Only Provided Total</b>				<b>7,879,738</b>		<b>0</b>
<b>Dept of Energy Total</b>				<b>49,999,915</b>	<b>5,727,237</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



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**Research and Development**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
84.022	Overseas Programs - Doctoral Dissertation Research	84.022A	3600	21,466	0	
<b>Federal Program 84.022 Total</b>				<b>21,466</b>	<b>0</b>	
84.220	Centers for International Business Education	84.220A	3600	336,019	0	
<b>Federal Program 84.220 Total</b>				<b>336,019</b>	<b>0</b>	
<b>Office of Postsecondary Education Total</b>				<b>357,485</b>	<b>0</b>	
84.305	Education Research, Development and Dissemination	0440100001MOD02	3600	164,317	0	PT
84.305		203618UWBAM01	3600	27,215	0	PT
84.305		84.305A	3600	1,366,242	228,337	
84.305		84.305A, 54422078003	3600	45,084	0	PT
84.305		84.305A, F143401	3600	9,686	0	PT
84.305		84.305A, R210013	3600	180,421	0	PT
84.305		84.305B	3600	220,709	0	
84.305		84.305D	3600	118,480	28,298	
84.305		84.305H	3600	159,128	34,748	
84.305		84.305N, GM10155PO2108	3600	6,819	0	PT
84.305		A005236402AM04	3600	50,670	0	PT
84.305		AWD7772723GR205512AM	3600	6,977	0	PT
84.305		PO046220001MOD02	3600	91,740	0	PT
<b>Federal Program 84.305 Total</b>				<b>2,447,488</b>	<b>291,383</b>	
<b>Office of Educational Research and Improvement Total</b>				<b>2,447,488</b>	<b>291,383</b>	
84.324	Research in Special Education	0438500001MOD02	3600	66,535	0	PT
84.324		84.324A	3600	1,029,136	30,514	
84.324		84.324A, 250911MOD06	3600	44,823	0	PT
84.324		84.324B	3600	36,523	0	
84.324		UNIV61540	3600	80,131	0	PT
<b>Federal Program 84.324 Total</b>				<b>1,257,148</b>	<b>30,514</b>	
<b>Office of Special Education and Rehabilitative Ser Total</b>				<b>1,257,148</b>	<b>30,514</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
84.RD	Department of Education - Unknown CFDA Number	50372	3600	16,346	0	PT
84.RD		PO31603AM002	3600	16,331	0	PT
<b>Federal Program 84.RD Total</b>				<b>32,677</b>	<b>0</b>	
<b>Education Contract Number Only Provided Total</b>				<b>32,677</b>	<b>0</b>	
<b>Dept of Education Total</b>				<b>4,094,798</b>	<b>321,897</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.068	Chronic Diseases: Research, Control, and Preventi	G157UWA01	3600	76,982	0	PT
93.068		G157UWA02	3600	218,652	0	PT
<b>Federal Program 93.068 Total</b>				<b>295,634</b>	<b>0</b>	
<b>Centers for Disease Control and Prevention Total</b>				<b>295,634</b>	<b>0</b>	
93.103	Food and Drug Administration_Research		3030	252,875	0	
93.103		G-1910-02156	3030	4,525	0	PT
93.103		G-SP-1910-08129	3030	3,300	0	PT
93.103			3600	50,329	9,475	
93.103		12439SUB	3600	18,786	0	PT
93.103		417605GURFAOGR510946	3600	11,880	0	PT
93.103		417809GURFAOGR511086	3600	63,418	0	PT
93.103		GR108640CON80002180M	3600	16,031	0	PT
93.103		Z8B00010AM02	3600	31	0	PT
93.103			3650	148,568	0	
93.103			4770	7,954	0	
93.103			4950	1,974,286	0	
<b>Federal Program 93.103 Total</b>				<b>2,551,983</b>	<b>9,475</b>	
<b>Food and Drug Administration Total</b>				<b>2,551,983</b>	<b>9,475</b>	
93.113	Environmental Health		3600	6,065,972	713,790	
93.113		110056808AM03	3600	60,963	0	PT
93.113		119081031PO50808901AM0	3600	38,808	0	PT
93.113		1GG013047AM02	3600	11,572	0	PT
93.113		2003249885AM04	3600	84,904	0	PT
93.113		3419052249011AM01	3600	40,191	0	PT
93.113		4500002762AM03	3600	71,807	0	PT
93.113		671400S00	3600	93,610	0	PT
93.113		80001140AM04	3600	37,069	0	PT
93.113		GR104703CON80001507A	3600	46,525	0	PT
93.113		S0146401AM01	3600	229,844	0	PT
93.113		SUBK00010622AM03	3600	88,205	0	PT
93.113		UW2020082001AM01	3600	79,292	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.113	Environmental Health	WU18174MOD3AM03	3600	339,963	0	PT
93.113		WU1991	3600	(210)	0	PT
93.113		WU20253MOD01	3600	42,931	0	PT
93.113			3650	1,234,290	10,338	
93.113		3RJC1	3650	13,236	0	PT
93.113		P0516AA	3650	68,966	0	PT
93.113		P0516BA	3650	8,354	0	PT
<b>Federal Program 93.113 Total</b>				<b>8,656,292</b>	<b>724,128</b>	
93.121	Oral Diseases and Disorders Research		3600	2,264,155	374,186	
93.121		0000965679AM01	3600	15,291	0	PT
93.121		121660AM01	3600	95,634	0	PT
93.121		1350GVD585AM02	3600	8,261	0	PT
93.121		9648SCAM06	3600	66,232	0	PT
93.121		UW633543	3600	77,036	0	PT
93.121		UWASH0238102665AM03	3600	263,054	0	PT
93.121		UWASH0261862635AM04	3600	58,490	0	PT
93.121		WASH0201022640AM03	3600	111,781	0	PT
93.121			3650	77,858	0	
<b>Federal Program 93.121 Total</b>				<b>3,037,792</b>	<b>374,186</b>	
<b>National Institutes of Health Total</b>				<b>11,694,084</b>	<b>1,098,314</b>	
93.135	Centers for Research and Demonstration for Health		3600	1,635,543	153,627	
93.135	COVID-19 – Centers for Research and Demonstration for Health		3600	15,473	0	
<b>Federal Program 93.135 Total</b>				<b>1,651,016</b>	<b>153,627</b>	
93.136	Injury Prevention and Control Research and State A		3030	5,232,172	2,549,976	
93.136	COVID-19 – Injury Prevention and Control Research and State A		3030	438,305	180,449	
93.136	Injury Prevention and Control Research and State A		3600	2,194,657	425,908	
93.136		FP00001573SA001AM03	3600	7,689	0	PT
93.136			3650	1,600	0	

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Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 93.136 Total</b>				<b>7,874,423</b>	<b>3,156,333</b>	
<b>Centers for Disease Control and Prevention Total</b>				<b>9,525,439</b>	<b>3,309,960</b>	
93.142	NIEHS Hazardous Waste Worker Health and Safety Tra	2105GTA258AM06	3600	26,937	0	PT
93.142		2105GYA193	3600	348,517	0	PT
93.142		2105GYA193AM001	3600	18,252	0	PT
93.142		2105GYA352	3600	14,988	0	PT
<b>Federal Program 93.142 Total</b>				<b>408,694</b>	<b>0</b>	
93.143	NIEHS Superfund Hazardous Substances_Basic Researc		3600	2,077,105	0	
<b>Federal Program 93.143 Total</b>				<b>2,077,105</b>	<b>0</b>	
<b>National Institutes of Health Total</b>				<b>2,485,799</b>	<b>0</b>	
93.155	Rural Health Research Centers		3600	435,691	0	
93.155			3650	191,000	0	
<b>Federal Program 93.155 Total</b>				<b>626,691</b>	<b>0</b>	
<b>Health Resources and Services Administration Total</b>				<b>626,691</b>	<b>0</b>	
93.172	Human Genome Research		3600	15,559,073	2,293,855	
93.172		00010386	3600	31,892	0	PT
93.172		0255C6214609	3600	186,308	0	PT
93.172		12702SC	3600	48,239	0	PT
93.172		131153455	3600	26,147	0	PT
93.172		131153455AM01	3600	26,843	0	PT
93.172		160NH2C4909MOD01	3600	138,767	0	PT
93.172		1GG01489001AM02	3600	36,450	0	PT
93.172		2019073AM01	3600	(18,596)	0	PT
93.172		210314052103AM01	3600	574,147	0	PT
93.172		210314052203AM02	3600	18,666	0	PT
93.172		62305015135394AM01	3600	193,124	0	PT
93.172		9936SCAM09	3600	466,777	0	PT
93.172		A138585	3600	247,677	0	PT
93.172		A200450S002P0727665AM0	3600	461,263	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.172	Human Genome Research	A200450S005P0727662	3600	41,976	0	PT
93.172		A210187S001POP0753656	3600	38,830	0	PT
93.172		BD521791BAM04	3600	13,941	0	PT
93.172		BD521791CAM05	3600	112,132	0	PT
93.172		BD521791DAM06	3600	86,938	0	PT
93.172		OOS030229UW84069	3600	(7)	0	PT
93.172		OOS030229UWAM07	3600	173,612	0	PT
93.172		OOS030229UWAM08	3600	250,842	0	PT
93.172		OSP2017191AM06	3600	45,554	0	PT
93.172		OSP2017191AM07	3600	30,985	0	PT
93.172		PO7000001243	3600	23,177	0	PT
93.172		RNG002727BUDG04UW00	3600	(5,428)	0	PT
93.172		RNG209827UWAM0220201	3600	42,525	0	PT
93.172		UM1UWASH4S2RV2AM08	3600	132,279	0	PT
93.172		UW660934	3600	44,300	0	PT
93.172		UW661840	3600	8,935	0	PT
93.172		UW684575	3600	14,456	0	PT
93.172		VUMC57005AM5	3600	56,577	0	PT
93.172		VUMC63906AM02	3600	220,514	0	PT
93.172	COVID-19 – Human Genome Research	VUMC87180	3600	14,689	0	PT
93.172	Human Genome Research	WU19115MOD1PO2934479	3600	(42,196)	0	PT
93.172		000525321002	3650	43,809	0	PT
<b>Federal Program 93.172 Total</b>				<b>19,345,217</b>	<b>2,293,855</b>	
93.173	Research Related to Deafness and Communication DIS		3600	4,287,708	429,487	
93.173		0001023872	3600	55,258	0	PT
93.173		0001023872AM01	3600	47,318	0	PT
93.173		0601146323AM02	3600	180,784	88,844	PT
93.173		0601146324AM03	3600	9,947	0	PT
93.173		1017309UWA	3600	13,012	0	PT
93.173		260885UWAM03	3600	115,512	0	PT
93.173		417738GURFAOGR511053	3600	134,318	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.173	Research Related to Deafness and Communication DIS	FY19966001PO1001128171	3600	12,843	0	PT
93.173		R02101AM02	3600	72,379	0	PT
93.173		SP0034193PROJ0009132A	3600	53,935	0	PT
93.173		WU1845MOD6AM06	3600	175,753	0	PT
93.173		WU2119	3600	130,900	0	PT
93.173			3650	(4)	0	
<b>Federal Program 93.173 Total</b>				<b>5,289,663</b>	<b>518,331</b>	
93.213	Research and Training in Complementary and Alterna		3600	3,561,485	1,261,965	
93.213		12419SUB	3600	15,026	0	PT
93.213		A032242AM01	3600	8,877	0	PT
93.213		A032242AM03	3600	15,920	0	PT
93.213		A032364	3600	18,092	0	PT
93.213		A032547	3600	4,044	0	PT
93.213		A032882	3600	3,297	0	PT
93.213		A033693	3600	18,054	0	PT
93.213		A034216	3600	19,514	0	PT
93.213		A180910S005AM02	3600	195,265	0	PT
93.213		R44AT011593	3600	7,943	0	PT
93.213		RNG210253BUDG01UW00	3600	3,170	0	PT
93.213		RNG210883UW	3600	32,070	0	PT
93.213			3650	2,130,204	619,186	
93.213		62266166139496	3650	231,984	0	PT
<b>Federal Program 93.213 Total</b>				<b>6,264,945</b>	<b>1,881,151</b>	
<b>National Institutes of Health Total</b>				<b>30,899,825</b>	<b>4,693,337</b>	
93.225	National Research Service Awards_Health Services R		3600	411,893	0	
<b>Federal Program 93.225 Total</b>				<b>411,893</b>	<b>0</b>	
93.226	Research on Healthcare Costs, Quality and Outcomes		3600	1,708,687	59,331	
93.226		00001745	3600	6,404	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.226	Research on Healthcare Costs, Quality and Outcomes	RNG210018BUDG02UW00	3600	35,759	0	PT
93.226		RNG210018BUDG03UWA	3600	103,601	0	PT
93.226		RNG210159BUDG02UW00	3600	6,324	0	PT
93.226		RNG210159BUDG03UW	3600	23,909	0	PT
93.226		RNG210906BUDG03UW	3600	105,208	0	PT
93.226			3650	205,493	0	
<b>Federal Program 93.226 Total</b>				<b>2,195,385</b>	<b>59,331</b>	
<b>Agency for Health Care Policy and Research Total</b>				<b>2,607,278</b>	<b>59,331</b>	
93.233	National Center on Sleep Disorders Research		3600	65,374	27,609	
93.233		60078515	3600	13,403	0	PT
93.233		PO41897AM01	3600	353,313	0	PT
93.233			3650	276,715	0	
93.233		A190461S002	3650	(5,876)	0	PT
<b>Federal Program 93.233 Total</b>				<b>702,929</b>	<b>27,609</b>	
<b>National Institutes of Health Total</b>				<b>702,929</b>	<b>27,609</b>	
93.239	Policy Research and Evaluation Grants	708K094AM04	3600	52,915	0	PT
93.239		708K094AM3	3600	55,947	0	PT
<b>Federal Program 93.239 Total</b>				<b>108,862</b>	<b>0</b>	
<b>Office of the Secretary Total</b>				<b>108,862</b>	<b>0</b>	
93.242	Mental Health Research Grants		3600	28,616,807	4,292,742	
93.242	COVID-19 – Mental Health Research Grants		3600	51,772	0	
93.242	Mental Health Research Grants	100156AM01	3600	26,629	0	PT
93.242		11957SUBMOD01	3600	10,704	0	PT
93.242		12185SUBMOD01	3600	52,369	0	PT
93.242		122074AM02	3600	29,205	0	PT
93.242		123215UW01AM01	3600	131,120	0	PT
93.242		12368SUB	3600	11,785	0	PT
93.242		12376SUB	3600	2,760	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.242	Mental Health Research Grants	15340251110110002	3600	146,103	0	PT
93.242		1580GVA719AM03	3600	71,680	0	PT
93.242		2000GWE286AM02	3600	57,159	0	PT
93.242		2000GXQ017AM02	3600	87,593	0	PT
93.242		2004200844AM01	3600	31,143	0	PT
93.242		20193804AM01	3600	110,338	0	PT
93.242		20200613	3600	95,690	0	PT
93.242		223004B01AM05	3600	41,625	0	PT
93.242		227381AM065R01MH10930	3600	23,526	0	PT
93.242		237573	3600	1,339	0	PT
93.242		401664	3600	420,459	0	PT
93.242		401664AM01	3600	157,079	0	PT
93.242		5111740AM02	3600	21,561	0	PT
93.242		5113535AM02	3600	16,471	0	PT
93.242		5115684AM01	3600	36,910	0	PT
93.242		568643AM05	3600	7,679	0	PT
93.242		576359AM01	3600	10,727	0	PT
93.242		626514UOW01	3600	245,616	0	PT
93.242		626514UOW01AM002	3600	90,230	0	PT
93.242		67277131S9001200AM06	3600	3,562	0	PT
93.242		A006759602AM02	3600	44,092	0	PT
93.242		A032074AM03	3600	164,714	0	PT
93.242		A032186AM03	3600	2,817	0	PT
93.242		AM01	3600	397,329	0	PT
93.242		AM03	3600	5,679	0	PT
93.242		AM04	3600	28,192	0	PT
93.242		CE21SSAMSTC1SIBCR	3600	20,196	0	PT
93.242		CE21UW1	3600	(818)	0	PT
93.242		CE21UW2	3600	33,359	0	PT
93.242		FY201021002AM01	3600	32,313	0	PT
93.242		FY2193000125A9843	3600	139,391	0	PT
93.242		GB10691PO2133382AM03	3600	60,834	0	PT

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**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.242	Mental Health Research Grants	GR102866CON80001336A	3600	(1)	0	PT
93.242		GR110244CON80002479	3600	304,128	0	PT
93.242		HM41SCDS12SIBCR	3600	2,495	0	PT
93.242		M101S13F03AM15R01MH1	3600	58,815	0	PT
93.242		M101S13F04AM02	3600	2,838	0	PT
93.242		NIH3PUW04MOD06	3600	(3,160)	0	PT
93.242		PRIME1R01MH11464803	3600	1,041	0	PT
93.242		RES515454	3600	79,144	0	PT
93.242		RNG210241BUDG01UW01	3600	41,757	0	PT
93.242		RNG210279UWAM01	3600	18,650	0	PT
93.242		S006256	3600	10,144	0	PT
93.242		UFDSP00011760AM05	3600	24,892	0	PT
93.242		UKZNU1920171AM03	3600	675	0	PT
93.242		UKZNU1920171AM04	3600	68,676	0	PT
93.242		UW664218	3600	127,174	0	PT
93.242		UW667711	3600	84,370	0	PT
93.242		UW684209	3600	82,462	0	PT
93.242		UW684330	3600	2,663	0	PT
93.242		UW684576	3600	3,788	0	PT
93.242		WAS26007001AM01PO6741	3600	114,692	0	PT
93.242		WAS260070PO66976584	3600	5,755	0	PT
93.242		WU18449MOD4	3600	89,583	0	PT
93.242		WU19307MOD2	3600	51,021	0	PT
93.242		WU19408MOD2AM02	3600	144,535	0	PT
93.242		WU19409MOD2AM02	3600	36,695	0	PT
93.242		WU20497MOD1AM01	3600	4,805	0	PT
93.242			3650	844,797	24,650	
93.242		FY18001018	3650	190,847	0	PT
<b>Federal Program 93.242 Total</b>				<b>33,931,020</b>	<b>4,317,392</b>	
<b>National Institutes of Health Total</b>				<b>33,931,020</b>	<b>4,317,392</b>	
93.262	Occupational Safety and Health Program		2350	663,681	0	
93.262			3600	3,969,055	245,497	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.262	Occupational Safety and Health Program	30011110AM01	3600	30,436	0	PT
93.262		30011210	3600	163,910	0	PT
93.262			3650	(367)	0	
93.262		3001110301	3650	27,582	0	PT
93.262		M1803758	3650	46,030	0	PT
<b>Federal Program 93.262 Total</b>				<b>4,900,327</b>	<b>245,497</b>	
<b>Centers for Disease Control and Prevention Total</b>				<b>4,900,327</b>	<b>245,497</b>	
93.273	Alcohol Research Programs		3600	6,854,282	1,023,367	
93.273	COVID-19 – Alcohol Research Programs		3600	182,478	0	
93.273	Alcohol Research Programs	000512064001AMA04	3600	33,687	0	PT
93.273		000512064SC001AMA05	3600	10,888	0	PT
93.273		028400874JAM002	3600	20,015	0	PT
93.273		554169AM02	3600	5,163	0	PT
93.273		7017137290AM03	3600	26,056	0	PT
93.273		7017137597	3600	11,190	0	PT
93.273		7584	3600	21,898	0	PT
93.273		7584AM01	3600	44,184	0	PT
93.273		806K374AM02	3600	2,821	0	PT
93.273		A007398902AM1	3600	4,542	0	PT
93.273		A337174AM06	3600	91,069	0	PT
93.273		A412609AM05	3600	18,261	0	PT
93.273		RF0012320180189AM05	3600	92,476	0	PT
93.273		RF0014320180407AM02	3600	34,044	0	PT
93.273		SA0000640AM02	3600	1,108	0	PT
93.273		SA0000640AM03	3600	83,993	0	PT
93.273		SUBK00014818	3600	17,910	0	PT
93.273		UW684255	3600	6,070	0	PT
93.273			3650	2,929,952	199,024	
93.273		10532SC	3650	11,799	0	PT
93.273		132687002	3650	64,263	0	PT
93.273		R43AA028456WSU	3650	19,746	0	PT

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 93.273 Total</b>				<b>10,587,895</b>	<b>1,222,391</b>	
93.279	Drug Abuse and Addiction Research Programs	7R01DA037222	1070	120	0	PT
93.279			3600	20,019,290	2,853,029	
93.279	COVID-19 – Drug Abuse and Addiction Research Programs		3600	36,566	0	
93.279	Drug Abuse and Addiction Research Programs	00001314AM02	3600	10,835	0	PT
93.279		0000988409AM04	3600	15,812	0	PT
93.279		000517103SC003AMA02	3600	129,134	0	PT
93.279		052020	3600	21,031	0	PT
93.279		052020ADDENDUMNO2A	3600	6,345	0	PT
93.279		1004527701AM03	3600	23,611	0	PT
93.279		12195SUBMOD01	3600	15,281	0	PT
93.279		12434SUB	3600	77,356	0	PT
93.279		12562SUB	3600	15,217	0	PT
93.279		1312021663465463LMOD01	3600	6,032	0	PT
93.279		17880	3600	44,262	0	PT
93.279		2000001005210	3600	19,016	0	PT
93.279	COVID-19 – Drug Abuse and Addiction Research Programs	205005	3600	61,501	0	PT
93.279	Drug Abuse and Addiction Research Programs	210974UW	3600	13,913	0	PT
93.279		213499UWAM01	3600	13,116	0	PT
93.279		312100500550092	3600	159,550	0	PT
93.279		401655	3600	3	0	PT
93.279		4457AM06	3600	19,558	0	PT
93.279		97015BAM04	3600	(762)	0	PT
93.279		A157198	3600	64,874	0	PT
93.279		AM02	3600	14,738	0	PT
93.279		AM02PRIME1R44DA04405	3600	44,247	0	PT
93.279		CON80003030GR113149A	3600	108,342	0	PT
93.279		D007614702AM01	3600	30,434	0	PT
93.279		ERS2198744197AM02	3600	27,115	0	PT

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.279	Drug Abuse and Addiction Research Programs	GR109739CON80002401A	3600	188,290	0	PT
93.279		GR403953UWAM01	3600	94,012	25,147	PT
93.279		N008805601	3600	81,194	0	PT
93.279		P006920802	3600	2,816	0	PT
93.279		RNG210129UWAM01	3600	14,672	0	PT
93.279		RNG210129UWAM02	3600	8,705	0	PT
93.279		T855321AM045R01DA0456	3600	43,312	0	PT
93.279		UW666453	3600	4,775	0	PT
93.279		UW684130	3600	19,368	0	PT
93.279			3650	2,311,262	469,634	
93.279		011130003	3650	25,241	0	PT
93.279		11725SC	3650	9,747	0	PT
93.279		12539SC	3650	2,667	0	PT
93.279		3RGH5C	3650	1,109	0	PT
93.279		R44DA049629	3650	51,074	0	PT
93.279			3800	70,282	0	
<b>Federal Program 93.279 Total</b>				<b>23,925,063</b>	<b>3,347,810</b>	
<b>National Institutes of Health Total</b>				<b>34,512,958</b>	<b>4,570,201</b>	
93.283	Centers for Disease Control and Prevention_Investi		3030	48,775	0	
93.283		INFCVEPV2	3650	294,743	0	PT
<b>Federal Program 93.283 Total</b>				<b>343,518</b>	<b>0</b>	
<b>Centers for Disease Control and Prevention Total</b>				<b>343,518</b>	<b>0</b>	
93.286	Discovery and Applied Research for Technological I		3600	6,009,945	1,326,801	
93.286	COVID-19 – Discovery and Applied Research for Technological I		3600	940,206	0	
93.286	Discovery and Applied Research for Technological I	2004804180	3600	62,087	0	PT
93.286		2004999881	3600	30,210	0	PT
93.286		590063	3600	77,320	0	PT
93.286		60053814UWAMA01	3600	72,338	0	PT

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93.286	Discovery and Applied Research for Technological I	96206PRIMENS108916	3600	36,165	0	PT
93.286		A454269	3600	91	0	PT
93.286		BL4648731UWAM04	3600	70,688	0	PT
93.286		UTA17000891AM02	3600	(412)	0	PT
93.286			3650	267,754	0	
93.286		134822002	3650	81,002	0	PT
93.286		135610002	3650	32,040	0	PT
93.286		1425SUB	3650	102,423	63,915	PT
93.286		1R01EB027895-01	3760	14,134	0	PT
<b>Federal Program 93.286 Total</b>				<b>7,795,991</b>	<b>1,390,716</b>	
93.307	Minority Health and Health Disparities Research		3600	1,850,280	151,795	
93.307		1920GXA148AM01	3600	82,080	0	PT
93.307		1GG01183407AM11	3600	163,745	0	PT
93.307		1GG01223802AM01	3600	5,544	0	PT
93.307		4500003777AM01	3600	30,689	0	PT
93.307		5109073AM04	3600	235,701	0	PT
93.307		5109076AM03	3600	115,666	0	PT
93.307		577433AM03	3600	65,415	0	PT
93.307		OSP2017201AM04	3600	44,588	0	PT
93.307		RNG210374UW02AM01	3600	14,270	0	PT
93.307		UTA19001247AM03	3600	39,334	0	PT
93.307			3650	1,468,054	395,642	
93.307		FY18001024	3650	293,375	0	PT
93.307		FY21001030	3650	5,139	0	PT
<b>Federal Program 93.307 Total</b>				<b>4,413,880</b>	<b>547,437</b>	
93.310	Trans-NIH Research Support		3600	15,737,920	5,743,143	
93.310	COVID-19 – Trans-NIH Research Support		3600	403,412	0	
93.310	Trans-NIH Research Support	1005478202	3600	192,931	0	PT
93.310		311572AM01	3600	2,111	0	PT
93.310		311818AM02	3600	78,366	0	PT

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93.310	Trans-NIH Research Support	5610226550000695AM12	3600	73,723	0	PT
93.310		900037AM05	3600	55,315	0	PT
93.310		900094AM06	3600	137,408	0	PT
93.310	COVID-19 – Trans-NIH Research Support	G26721W8902AM01	3600	172,814	0	PT
93.310	Trans-NIH Research Support	S408790AM01	3600	292	0	PT
93.310		S408790AM02	3600	6	0	PT
93.310		S408790AM03	3600	1,407,087	0	PT
93.310		UW684475	3600	1,331	0	PT
93.310			3650	1,414,879	983,634	
<b>Federal Program 93.310 Total</b>				<b>19,677,595</b>	<b>6,726,777</b>	
93.350	National Center for Advancing Translational Scienc		3600	14,318,523	2,897,794	
93.350	COVID-19 – National Center for Advancing Translational Science		3600	208,200	0	
93.350		1011902003UWA	3600	10,260	0	PT
93.350	National Center for Advancing Translational Scienc	1011902UWAAM03	3600	9,393	0	PT
93.350		1011902UWAAM05	3600	613,345	0	PT
93.350		12147SUB	3600	2,462	0	PT
93.350		12507SUB	3600	21,040	0	PT
93.350		15318551130260311AM02	3600	25,913	0	PT
93.350		16A00000700001AM02	3600	781	0	PT
93.350		16A00000700001AM03	3600	18,848	0	PT
93.350		2005069333	3600	94,112	0	PT
93.350		AWD0000024313444517	3600	29,006	0	PT
93.350	COVID-19 – National Center for Advancing Translational Scienc	VUMC85947AM02	3600	174,083	0	PT
93.350	National Center for Advancing Translational Scienc	WU210490PO2941111K	3600	9,666	0	PT
93.350		WU2174	3600	19,978	0	PT
<b>Federal Program 93.350 Total</b>				<b>15,555,610</b>	<b>2,897,794</b>	
93.351	Research Infrastructure Programs		3600	19,968,743	113,703	
<b>Federal Program 93.351 Total</b>				<b>19,968,743</b>	<b>113,703</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.353	21ST Century Cures Act-Beau Biden Cancer Moonshot		3600	1,667,089	548,217	
93.353		0001003179	3600	(9,095)	0	PT
93.353		0001012365	3600	3,368	0	PT
93.353		0001042166	3600	623	0	PT
93.353		0001042169	3600	4,579	0	PT
93.353		BD522497CAM04	3600	11,384	0	PT
93.353		BD522497DAM05	3600	101,140	0	PT
<b>Federal Program 93.353 Total</b>				<b>1,779,088</b>	<b>548,217</b>	
93.361	Nursing Research		3600	3,835,282	337,592	
93.361		0255E1114609	3600	92,462	0	PT
93.361		11964SUBMOD01	3600	4,335	0	PT
93.361		12523SUB	3600	21,112	0	PT
93.361		12524SUB	3600	8,177	0	PT
93.361		20183654AM01	3600	23	0	PT
93.361		5106244AM06	3600	90,191	0	PT
93.361		7000000671AM03	3600	211,359	0	PT
93.361		7000001179	3600	18,584	0	PT
93.361		RES513808AM04	3600	96,978	0	PT
93.361			3650	745,258	0	
93.361		5106247	3650	7,499	0	PT
<b>Federal Program 93.361 Total</b>				<b>5,131,260</b>	<b>337,592</b>	
93.368	21ST Century Cures Act-Precision Medicine Initiati		3600	9,820,593	0	
<b>Federal Program 93.368 Total</b>				<b>9,820,593</b>	<b>0</b>	
93.393	Cancer Cause and Prevention Research		3600	5,096,291	1,336,395	
93.393		0000000978	3600	24,817	0	PT
93.393		0000977455AM02	3600	8,779	0	PT
93.393		0001000625	3600	2,310	0	PT
93.393		0001000626	3600	8,296	0	PT
93.393		0001004578AM01	3600	22,535	0	PT
93.393		0001004667	3600	2,335	0	PT

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.393	Cancer Cause and Prevention Research	0001020618	3600	6,219	0	PT
93.393		0001023364AM03	3600	274,838	0	PT
93.393		0001024338	3600	787	0	PT
93.393		0001024339	3600	25,482	0	PT
93.393		0001024340	3600	28,232	0	PT
93.393		0001024401	3600	5,797	0	PT
93.393		0001024473	3600	11,034	0	PT
93.393		0001025538	3600	34,884	0	PT
93.393		0001025948	3600	1,244	0	PT
93.393		0001026466	3600	7,783	0	PT
93.393		0001035919	3600	95,732	0	PT
93.393		0001041270AM01	3600	90,100	0	PT
93.393		0001041797	3600	15,189	0	PT
93.393		0001052585	3600	61,001	0	PT
93.393		0001066846AM01	3600	6,316	0	PT
93.393		0001067024	3600	3,678	0	PT
93.393		0001067025AM01	3600	4,047	0	PT
93.393		0001067504	3600	3,087	0	PT
93.393		1004305702AM03	3600	261,641	0	PT
93.393		1160715089696AM11	3600	23,571	0	PT
93.393		1160935118080	3600	224,932	0	PT
93.393		1557GVC172AM03	3600	226,039	0	PT
93.393		1557GWA025AM02	3600	175,536	0	PT
93.393		17093AM06	3600	29,412	0	PT
93.393		20160369613AM03	3600	53,517	0	PT
93.393		20160369613AM04	3600	74,465	0	PT
93.393		20160369613AM2	3600	(11)	0	PT
93.393		3210720420AM05	3600	6,136	0	PT
93.393		380101730114410AM02	3600	4,915	0	PT
93.393		44956AM04	3600	14,860	0	PT
93.393		A200145S001P0726832	3600	1,983	0	PT
93.393		A200145S001P0726832AM0	3600	8,683	0	PT

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.393	Cancer Cause and Prevention Research	AH000632AM04	3600	36,071	0	PT
93.393		AWD00000046SUB0000001	3600	22,885	0	PT
93.393		AWD000006641328812AM0	3600	13,977	0	PT
93.393		CK11SSWEEKESIBCR1	3600	4,031	0	PT
93.393		CK11WE31SIBCR	3600	1,068	0	PT
93.393		GJ116GJ12SIBCRMOD1	3600	13,760	0	PT
93.393		GJ116HERODM1SIBCRMO	3600	1,858	0	PT
93.393		GJ116MIRANG2SIBCR	3600	22,929	0	PT
93.393		GJ116UW1	3600	46,406	0	PT
93.393		GJ116UW2	3600	54,064	0	PT
93.393		RNG210178UWAM02	3600	125,973	0	PT
93.393		S0135401AM01	3600	78,384	0	PT
93.393		UW674027	3600	3,874	0	PT
93.393		UW684288	3600	5,706	0	PT
93.393		UW684335	3600	4,627	0	PT
93.393		UWCA237153AM02	3600	72,748	0	PT
93.393			3650	533,790	5,309	
<b>Federal Program 93.393 Total</b>				<b>7,988,643</b>	<b>1,341,704</b>	
93.394	Cancer Detection and Diagnosis Research		3600	4,886,321	906,374	
93.394		0000988948AM01	3600	17,907	0	PT
93.394		0001002312	3600	6,950	0	PT
93.394		0001002346	3600	9,883	0	PT
93.394		0001006789	3600	41,732	0	PT
93.394		0001006855	3600	6,950	0	PT
93.394		0001011467	3600	77,597	0	PT
93.394		0001022829	3600	9,723	0	PT
93.394		0001030006	3600	8,700	0	PT
93.394		0001032636AM01	3600	52,411	0	PT
93.394		0001038347	3600	98,840	0	PT
93.394		0001038962AM01	3600	63,824	0	PT
93.394		0001038963	3600	23,842	0	PT
93.394		0001039282	3600	24,253	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.394	Cancer Detection and Diagnosis Research	0001039287AM01	3600	221,527	0	PT
93.394		0001052898	3600	7,609	0	PT
93.394		0001068927	3600	62,200	0	PT
93.394		10048SCAM04	3600	31,928	0	PT
93.394		1018110UWA	3600	14,026	0	PT
93.394		11124SCAM01	3600	9,143	0	PT
93.394		11124SCAM02	3600	42,851	0	PT
93.394		1557GVB811AM03	3600	205,436	0	PT
93.394		164145163478AM03	3600	(134)	0	PT
93.394		1671AM06	3600	43,785	0	PT
93.394		168994168546AM01	3600	3,909	0	PT
93.394		5710004063AM04	3600	191,328	0	PT
93.394		62539499182191	3600	34,543	0	PT
93.394		62539499182191AM01	3600	79,071	0	PT
93.394		7621AM01	3600	26,086	0	PT
93.394		9770SCAM04	3600	55,705	0	PT
93.394		A147966	3600	238,873	0	PT
93.394		A352544AM05	3600	32,680	0	PT
93.394		AM01	3600	54,088	0	PT
93.394		IG114SAVARDC3SIBCRM	3600	33,604	0	PT
93.394		ME11ME12SIBCR	3600	(2,297)	0	PT
93.394		PO7000000939AM02	3600	43,937	0	PT
93.394		UW637711	3600	27,509	0	PT
93.394		UW661993	3600	86,309	0	PT
93.394		UW665758	3600	62,947	0	PT
93.394		UW668669	3600	74,773	0	PT
93.394			3650	49,422	0	
93.394		TULHSC5585862021	3650	140,524	0	PT
<b>Federal Program 93.394 Total</b>				<b>7,200,315</b>	<b>906,374</b>	
93.395	Cancer Treatment Research		3600	5,288,199	1,849,937	
93.395		0000935334AM03	3600	6,587	0	PT
93.395		0000979045AM01	3600	2,066	0	PT

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.395	Cancer Treatment Research	0000983567AM02	3600	7,037		0 PT
93.395		0000984625	3600	(294)		0 PT
93.395		0000988950	3600	(190)		0 PT
93.395		0000998310	3600	1,405		0 PT
93.395		0001015476	3600	(10,071)		0 PT
93.395		0001016826	3600	18,428		0 PT
93.395		0001017686AM01	3600	5,966		0 PT
93.395		0001020248AM01	3600	23,948		0 PT
93.395		0001021039	3600	3,952		0 PT
93.395		0001025679MOD01	3600	3,965		0 PT
93.395		0001028258	3600	62,463		0 PT
93.395		0001031913	3600	25,585		0 PT
93.395		0001034422AM01	3600	2,388		0 PT
93.395		0001041275	3600	11,756		0 PT
93.395		0001051807	3600	257,712		0 PT
93.395		0001059916	3600	17,850		0 PT
93.395		0001060555	3600	3,766		0 PT
93.395		0129402S02	3600	69,438		0 PT
93.395		0307704S01	3600	(7,830)		0 PT
93.395		0307705S01	3600	49,355	26,768	PT
93.395		1013080UWAAM01	3600	28,787		0 PT
93.395		11512SUBMOD05	3600	38,917		0 PT
93.395		11539SUB	3600	116,109		0 PT
93.395		11539SUBMOD04	3600	106,265		0 PT
93.395		11540SUBMOD05	3600	2,567		0 PT
93.395		11572SUBMOD06	3600	36,431		0 PT
93.395		13748	3600	96,407		0 PT
93.395		1568GXA118AM01	3600	10,798		0 PT
93.395		2M180221UWVW02	3600	16,777		0 PT
93.395		A151430AM001	3600	20,326		0 PT
93.395		AWD102398G1AM03PO500	3600	29,495		0 PT
93.395		BW217BW22SIBCR	3600	3,972		0 PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.395	Cancer Treatment Research	BW217BW23SIBCRMOD1	3600	2,480	0	PT
93.395		U10CA18082006WASH1CA	3600	17,741	0	PT
93.395		U10CA18082006WASH2CA	3600	8,184	0	PT
93.395		UW634898	3600	(9,193)	0	PT
93.395		UW662579	3600	278,118	307	PT
93.395		UW663074	3600	44,740	0	PT
93.395		UW663076	3600	99,198	0	PT
93.395		UW663179	3600	4,875	0	PT
93.395		UW663394	3600	16,983	0	PT
93.395		UW663618	3600	8,063	0	PT
93.395		UW663621	3600	80,956	0	PT
93.395		UW663897	3600	9,731	0	PT
93.395		UW663936	3600	6,048	0	PT
93.395			3650	625,181	51,301	
93.395		11515SUB	3650	138,177	0	PT
<b>Federal Program 93.395 Total</b>				<b>7,681,614</b>	<b>1,928,313</b>	
93.396	Cancer Biology Research		3600	4,269,113	630,819	
93.396		01061457AM01	3600	126,162	0	PT
93.396		08003800S37701AM01	3600	17,986	0	PT
93.396		12288SUBMOD01	3600	15,331	0	PT
93.396		1719GXB208AM01	3600	113,326	0	PT
93.396		18A1001000999AM04	3600	80,991	0	PT
93.396		5116558	3600	30,322	0	PT
93.396		5118527	3600	66,924	0	PT
93.396		60068579AM01	3600	102,453	0	PT
93.396		62435605142396	3600	22,504	0	PT
93.396			3650	346,264	0	
93.396		08003800S37701	3650	22,447	0	PT
<b>Federal Program 93.396 Total</b>				<b>5,213,823</b>	<b>630,819</b>	
93.397	Cancer Centers Support Grants	0000958170AM03	3600	11,795	0	PT
93.397		0000979143	3600	(1,368)	0	PT
93.397		0001002655	3600	32,401	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.397	Cancer Centers Support Grants	0001016340	3600	3,240	0	PT
93.397		0001016345	3600	29,146	0	PT
93.397		0001016348	3600	11,140	0	PT
93.397		0001016367	3600	14,876	0	PT
93.397		0001016371	3600	15,151	0	PT
93.397		0001016418AM01	3600	40,208	0	PT
93.397		0001017915	3600	1,696	0	PT
93.397		0001028344AM01	3600	40,120	0	PT
93.397		0001028374AM01	3600	14,046	0	PT
93.397		0001028734AM02	3600	12,114	0	PT
93.397		0001028734AM04	3600	14,617	0	PT
93.397		0001028744AM02	3600	13,928	0	PT
93.397		0001028744AM04	3600	10,053	0	PT
93.397		0001028745AM03	3600	26,449	0	PT
93.397		0001028745MOD02	3600	19,466	0	PT
93.397		0001028746AM03	3600	22,471	0	PT
93.397		0001028746AM05	3600	14,296	0	PT
93.397		0001028747	3600	96,852	0	PT
93.397		0001028747AM02	3600	85,071	0	PT
93.397		0001028765AM02	3600	24,664	0	PT
93.397		0001028765AM03	3600	14,803	0	PT
93.397		0001028774	3600	39,550	0	PT
93.397		0001028781	3600	14,166	0	PT
93.397		0001028805AM01	3600	15,957	0	PT
93.397		0001028805AM03	3600	15,923	0	PT
93.397		0001028806AM01	3600	6,789	0	PT
93.397		0001028806AM03	3600	6,846	0	PT
93.397		0001029054	3600	40,055	0	PT
93.397		0001029270AM01	3600	58,724	0	PT
93.397		0001029270AM03	3600	106,616	0	PT
93.397		0001029409AM01	3600	79,665	0	PT
93.397		0001029409AM03	3600	76,494	0	PT

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<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.397	Cancer Centers Support Grants	0001029410AM01	3600	382,423	0	PT
93.397		0001029410AM03	3600	183,574	0	PT
93.397		0001029411AM01	3600	55,565	0	PT
93.397		0001029411AM02	3600	40,111	0	PT
93.397		0001029412AM01	3600	174,786	0	PT
93.397		0001029424	3600	20,322	0	PT
93.397		0001030056AM02	3600	21,589	0	PT
93.397		0001030056AM04	3600	21,589	0	PT
93.397		0001030088AM01	3600	38,539	0	PT
93.397		0001030088AM03	3600	38,188	0	PT
93.397		0001030108	3600	6,844	0	PT
93.397		0001030108AM02	3600	6,844	0	PT
93.397		0001030730AM01	3600	25,517	0	PT
93.397		0001031377	3600	16,782	0	PT
93.397		0001031378AM01	3600	13,183	0	PT
93.397		0001032111	3600	2,754	0	PT
93.397		0001032163AM01	3600	48,998	0	PT
93.397		0001032202	3600	52,079	0	PT
93.397		0001032267	3600	22,785	0	PT
93.397		0001033209	3600	10,836	0	PT
93.397		0001033978	3600	40,997	0	PT
93.397		0001040697	3600	131,602	0	PT
93.397	COVID-19 – Cancer Centers Support Grants	0001041996	3600	27,523	0	PT
93.397	Cancer Centers Support Grants	0001042103	3600	12,234	0	PT
93.397		0001042104	3600	36,091	0	PT
93.397		0001042506	3600	19,767	0	PT
93.397		0001045298	3600	40,000	0	PT
93.397		0001045616	3600	7,804	0	PT
93.397		0001045887	3600	1,903	0	PT
93.397		0001046155	3600	33,398	0	PT
93.397		0001047852AM03	3600	7,417	0	PT
93.397		0001060853	3600	24,594	0	PT

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<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.397	Cancer Centers Support Grants	0001060859	3600	231,028	0	PT
93.397		0001060860	3600	81,142	0	PT
93.397		0001061291	3600	161,947	0	PT
93.397		0001062188	3600	69,740	0	PT
93.397		0001062578	3600	81,098	0	PT
93.397		0001069011	3600	34,950	0	PT
93.397		0001069082	3600	11,575	0	PT
93.397		0001069446	3600	35,179	0	PT
93.397		0001070402	3600	64,690	0	PT
93.397		0001070947	3600	39,918	0	PT
93.397		0001070948	3600	33,230	0	PT
93.397		0001071115	3600	22,000	0	PT
93.397		0001071116	3600	19,388	0	PT
93.397		0001071117	3600	4,122	0	PT
93.397		0001071700	3600	20,300	0	PT
93.397		0001071701	3600	13,453	0	PT
93.397		0001077718	3600	650	0	PT
93.397		001070985	3600	36,998	0	PT
93.397		20180009AM03	3600	25,378	0	PT
93.397		UW669477	3600	26,713	0	PT
93.397		UW669966	3600	30,631	0	PT
93.397		UW684591	3600	3,634	0	PT
93.397		WU20252	3600	481	0	PT
93.397			3650	20,655	0	
<b>Federal Program 93.397 Total</b>				<b>3,663,558</b>	<b>0</b>	
93.398	Cancer Research Manpower		3600	2,686,689	50,052	
93.398		0001016440	3600	92,503	0	PT
93.398		0001056254AM01	3600	68,500	0	PT
<b>Federal Program 93.398 Total</b>				<b>2,847,692</b>	<b>50,052</b>	
93.399	Cancer Control	3004538756AM05	3600	136,558	0	PT
<b>Federal Program 93.399 Total</b>				<b>136,558</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>National Institutes of Health Total</b>				<b>118,874,963</b>	<b>17,419,498</b>	
93.564	Child Support Enforcement Research		3000	314,765	88,097	
<b>Federal Program 93.564 Total</b>				<b>314,765</b>	<b>88,097</b>	
<b>Administration for Children and Families Total</b>				<b>314,765</b>	<b>88,097</b>	
93.837	Cardiovascular Diseases Research		3600	30,623,062	4,953,841	
93.837		0012348CAM02	3600	3,753	0	PT
93.837		0013892AAM01	3600	41,703	0	PT
93.837		08018007S27801AM04	3600	183,987	0	PT
93.837		10174200001HH5920AM04	3600	133,022	0	PT
93.837		11351SUBMOD09	3600	53,914	0	PT
93.837		122387691POS9002468AM0	3600	102,671	0	PT
93.837		1645925111972AM03	3600	80,840	0	PT
93.837		1735601	3600	10,373	0	PT
93.837		177494218214226028AM03	3600	17,352	0	PT
93.837		1GG01099807AM05	3600	12,499	0	PT
93.837		2004073037AM01	3600	319	0	PT
93.837		2004073037AM02	3600	28,340	0	PT
93.837		2004772455	3600	32,611	0	PT
93.837		2004788713	3600	41,908	0	PT
93.837		218518601	3600	192,877	0	PT
93.837		236957	3600	40,959	0	PT
93.837		3147001UWPO	3600	18,266	0	PT
93.837		3GG01104605AM04	3600	48,905	0	PT
93.837		5113177AM02	3600	32,645	0	PT
93.837		5120343	3600	21,252	0	PT
93.837		60043933UWA04	3600	41,363	0	PT
93.837		60071065AM01	3600	1,370	0	PT
93.837		60071090AM01	3600	(419)	0	PT
93.837		60073569	3600	(1,977)	0	PT
93.837		60077277AM03	3600	271,622	0	PT
93.837		60077278AM03	3600	17,026	0	PT
93.837		7312021703065767LMOD01	3600	534	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.837	Cardiovascular Diseases Research	7312021703065767LMOD02	3600	19,271		0 PT
93.837		867K764AM2	3600	13,084		0 PT
93.837		900087	3600	10,534		0 PT
93.837		9102SCAM05	3600	85,535		0 PT
93.837		A032471AM02	3600	138,437		0 PT
93.837		A033025AM01	3600	160,932		0 PT
93.837		A138591	3600	91,772		0 PT
93.837		AMENDMENT4	3600	151,604		0 PT
93.837		AMENDMENT6	3600	194,778		0 PT
93.837		ASUB00000241AM02	3600	22,731		0 PT
93.837		FP06534702PRAM02	3600	55,301		0 PT
93.837		GB10586159200AM01	3600	2,348		0 PT
93.837		GR105731CON80001726A	3600	143,204		0 PT
93.837		GR119787AM03	3600	6,600		0 PT
93.837		MOD05	3600	49,771		0 PT
93.837		OOS030150UOW02AM06	3600	81,848		0 PT
93.837		PS224978MOD07	3600	9,478		0 PT
93.837		RC109668UWAM01	3600	3,049		0 PT
93.837		S0045001AM02	3600	23,978		0 PT
93.837		S0045001AM03	3600	3,493		0 PT
93.837		SUBK00012868AM01	3600	171		0 PT
93.837		UW633905	3600	4,568		0 PT
93.837		UW666593	3600	75,605		0 PT
93.837		VUMC58612AM06	3600	3,558		0 PT
93.837		VUMC59443AM04	3600	(344)		0 PT
93.837		VUMC59443AM05	3600	12,167		0 PT
93.837		VUMC59733	3600	595		0 PT
93.837		VUMC59733AM05	3600	89		0 PT
93.837		VUMC59733AM07	3600	681,881		0 PT
93.837			3650	657,662	29,430	
93.837		320000360821114	3650	122,119		0 PT
93.837		599745	3650	6,169		0 PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 93.837 Total</b>				<b>34,882,765</b>	<b>4,983,271</b>	
93.838	Lung Diseases Research		3600	6,319,727	891,809	
93.838		0001054456AM01	3600	89,716	0	PT
93.838		0164101S01	3600	66,289	0	PT
93.838		1018872UWA	3600	117,509	0	PT
93.838	COVID-19 – Lung Diseases Research	1018896001UWAAM02	3600	12,668	0	PT
93.838		1018896002UWAAM02	3600	46,525	0	PT
93.838	Lung Diseases Research	1019395UWAAM01	3600	24,388	0	PT
93.838		1911564AM02	3600	11,317	0	PT
93.838		229960MOD04	3600	(60,142)	0	PT
93.838	COVID-19 – Lung Diseases Research	236477	3600	73,903	33,759	PT
93.838	Lung Diseases Research	236620	3600	59,086	0	PT
93.838	COVID-19 – Lung Diseases Research	236620	3600	15,099	0	PT
93.838	Lung Diseases Research	2GG01166201AM03	3600	12,290	0	PT
93.838		2GG01278210AM03POG14	3600	60,699	0	PT
93.838		303862AM03	3600	147,211	0	PT
93.838		303862AM1	3600	9,538	0	PT
93.838	COVID-19 – Lung Diseases Research	32GG01599701POG15284A	3600	81,663	0	PT
93.838	Lung Diseases Research	4GG01091905AM06	3600	35,083	0	PT
93.838		5116145	3600	9,852	0	PT
93.838		5119022AM01	3600	61,825	0	PT
93.838		AM03	3600	3,005	0	PT
93.838		ASUB00000775	3600	4,427	0	PT
93.838		CNVA0004669113310629A	3600	1,632	0	PT
93.838		EH17325S4AM03	3600	48,179	0	PT
93.838		S0006202AM04	3600	109,836	0	PT
93.838		WU19105MOD2	3600	29,461	0	PT
<b>Federal Program 93.838 Total</b>				<b>7,390,786</b>	<b>925,568</b>	
93.839	Blood Diseases and Resources Research		3600	7,214,503	1,827,055	
93.839	COVID-19 – Blood Diseases and Resources Research		3600	55,205	0	
93.839	Blood Diseases and Resources Research	0000951722AM02	3600	23,506	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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(Expressed in whole dollars)*

**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.839	Blood Diseases and Resources Research	0000998786AM01	3600	148,136	0	PT
93.839		0001002754AM002	3600	153,044	0	PT
93.839		0001021336	3600	89,154	0	PT
93.839		0001029239	3600	271,225	0	PT
93.839		0001034329	3600	49,045	0	PT
93.839		0013267DAM01	3600	(2,444)	0	PT
93.839		11685UW147AM02	3600	18,790	0	PT
93.839		12145SUBMOD01	3600	10,789	0	PT
93.839		12146SUB1	3600	(351)	0	PT
93.839		12265SUBMOD01	3600	68,859	0	PT
93.839		12393SUB	3600	30,337	0	PT
93.839		12394SUBMOD01	3600	112,622	0	PT
93.839		133486398PO50905803	3600	341,300	0	PT
93.839		2004868647	3600	27,683	0	PT
93.839		33108SUB52859AM01	3600	65,632	0	PT
93.839		5112806AM02	3600	58,964	0	PT
93.839		75103107AM05	3600	111,757	0	PT
93.839		883UW2019AM02	3600	51,863	0	PT
93.839		895UW2020AM01	3600	104,023	0	PT
93.839		AM02	3600	294,022	0	PT
93.839		FP066598BAM03	3600	15,302	0	PT
93.839		FP066598DAM03	3600	126	0	PT
93.839		FY18878004FY20878004A	3600	157,402	0	PT
93.839		SA0000420	3600	58,529	0	PT
93.839		SA0000533AM02	3600	113,089	0	PT
93.839		UW684545	3600	19,713	0	PT
93.839			3800	88,837	0	
<b>Federal Program 93.839 Total</b>				<b>9,750,662</b>	<b>1,827,055</b>	
93.840	Translation and Implementation Science Research Fo		3600	1,717,775	380,985	
93.840		AD226SHAHRS2SIBCR	3600	10,235	0	PT
93.840		C0013	3600	84,701	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
<b>Federal Program 93.840 Total</b>				<b>1,812,711</b>	<b>380,985</b>	
93.846	Arthritis, Musculoskeletal and Skin Diseases Resea		3600	6,401,454	310,242	
93.846		025512914609AM01	3600	(6,709)	0	PT
93.846		12568SUB	3600	73,278	0	PT
93.846		2004829001MOD01	3600	64,117	0	PT
93.846		20211473	3600	14,027	0	PT
93.846		90077AM03	3600	73,441	0	PT
93.846		LW143LW11SIBCR	3600	26,977	0	PT
93.846		LW143UW1	3600	62,620	0	PT
93.846		UW660355	3600	67,342	0	PT
93.846			3650	1,069,784	8,633	
<b>Federal Program 93.846 Total</b>				<b>7,846,331</b>	<b>318,875</b>	
93.847	Diabetes, Digestive, and Kidney Diseases Extramura		3600	27,626,053	5,655,927	
93.847	COVID-19 – Diabetes, Digestive, and Kidney Diseases Extramura		3600	171,030	0	
93.847	Diabetes, Digestive, and Kidney Diseases Extramura	00001054AM03	3600	22,585	0	PT
93.847		00001250AM03	3600	36,010	0	PT
93.847		0001028807	3600	3,782	0	PT
93.847		0001045697AM01	3600	89,014	0	PT
93.847		000524405SC004	3600	5,239	0	PT
93.847		096530002323581AM03	3600	11,989	0	PT
93.847		096530003324881AM04	3600	29,679	0	PT
93.847		098750002324153AM01	3600	50,977	0	PT
93.847		10309SCAM03	3600	6,625	0	PT
93.847		10321SCAM03	3600	34,594	0	PT
93.847		10863SCAM03	3600	171,741	0	PT
93.847		11097SUBMOD06	3600	21,796	0	PT
93.847		11334SUBMOD04	3600	629	0	PT
93.847		11740SC	3600	59,038	0	PT
93.847		11740SCAM01	3600	444,992	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.847	Diabetes, Digestive, and Kidney Diseases Extramura	12199SUBMOD02	3600	155,957	0	PT
93.847		12402SUB	3600	49,926	0	PT
93.847		12402SUB	3600	763,291	13,588	PT
93.847		12402SUBMOD01	3600	52,348	0	PT
93.847		1329SUBAM03	3600	3,212	2,881	PT
93.847		1348SUBAM03	3600	791	0	PT
93.847		1413SUBAM04	3600	89,810	32,891	PT
93.847		1560BXA422AM02	3600	891	0	PT
93.847	COVID-19 – Diabetes, Digestive, and Kidney Diseases Extramura	168717168716AM01	3600	30,794	0	PT
93.847	Diabetes, Digestive, and Kidney Diseases Extramura	16924AM05	3600	7,835	0	PT
93.847		19100710118241AM07	3600	60,949	0	PT
93.847		1R41DK12293301A1	3600	190,589	0	PT
93.847		2003992125AM02	3600	34,834	0	PT
93.847		2019117057	3600	(6,318)	0	PT
93.847		226142AM12	3600	3,734	0	PT
93.847		235385AM01	3600	55,932	0	PT
93.847		238171	3600	5,618	0	PT
93.847		3005085721AM01	3600	6,998	0	PT
93.847		310859AM10	3600	74,042	0	PT
93.847		3230734AM01	3600	(6)	0	PT
93.847		3230749	3600	34,437	0	PT
93.847		3230782	3600	61,579	0	PT
93.847		5013848SERVAM03	3600	3,005	0	PT
93.847		5013848SERVAM04	3600	51,632	0	PT
93.847		5119779	3600	139	0	PT
93.847		6163108200AD	3600	2,361	0	PT
93.847		7000000980AM01	3600	37,852	0	PT
93.847		8379SCAM075R01DK09823	3600	429	0	PT
93.847		AM01	3600	246,179	0	PT
93.847		AWD000004171327234	3600	(3,525)	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.847	Diabetes, Digestive, and Kidney Diseases Extramura	AWD000004171327234AM0	3600	(1,911)	0	PT
93.847		BJ211BJ23SIBCR	3600	5,909	0	PT
93.847		BJ211BJ24SIBCR	3600	5,614	0	PT
93.847		BJ211SIKKEC2SIBCR	3600	723	0	PT
93.847		BJ211SIKKEC3SIBCR	3600	4,569	0	PT
93.847		CS113409UOWOOS030112	3600	2,125	0	PT
93.847		FP06836601IAM02	3600	131,198	0	PT
93.847		FY18896006PROJ255M852	3600	(13)	0	PT
93.847		GMO161129PO000000975E	3600	2,548	0	PT
93.847		GMO161129PO000000975F	3600	3,120	0	PT
93.847		GMO200501PO0000001992	3600	227,611	0	PT
93.847		HR15HR110SIBCR	3600	15,877	0	PT
93.847		HR15HR19SIBCRM01	3600	15,878	0	PT
93.847		KA1459AM03	3600	34,988	0	PT
93.847		KA1462AM02	3600	34,067	0	PT
93.847		KS121BE110SIBCR	3600	7,426	0	PT
93.847		KS121BE111SIBCR	3600	5,136	0	PT
93.847		KS121SOCHAJ11SIBCRM	3600	54,006	0	PT
93.847		KS141UW8AM01	3600	2,592	0	PT
93.847		KS141WFUKS15SIBCR	3600	1,776	0	PT
93.847		KS16KS110SIBCR	3600	13,265	0	PT
93.847		KS16KS111SIBCR	3600	6,497	0	PT
93.847		KS16LOVATC10SIBCR	3600	3,893	0	PT
93.847		KS16LOVATC11SIBCR	3600	2,781	0	PT
93.847		LIN91306401AM01	3600	24,596	0	PT
93.847		N006254903AM03	3600	82,103	0	PT
93.847		PJ115BROOKB5SIBCR	3600	11,165	0	PT
93.847		PJ115BROOKB6SIBCR	3600	24,564	0	PT
93.847		PJ115PJ15SIBCR	3600	5,304	0	PT
93.847		PJ115PJ16SIBCR	3600	13,083	0	PT
93.847		PJ116BROOKB5SIBCR	3600	9,505	0	PT
93.847		PJ116BROOKB6SIBCR	3600	20,098	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.847	Diabetes, Digestive, and Kidney Diseases Extramura	PJ116PJ15SIBCR	3600	11,072	0	PT
93.847		PJ116PJ16SIBCR	3600	22,274	0	PT
93.847		RES515409AM02	3600	306,933	0	PT
93.847		RNG003044BUDG03UW03	3600	971	0	PT
93.847		RNG003044UWDREWNO	3600	139,798	0	PT
93.847		RNG003044UWVERNEZM	3600	43,605	0	PT
93.847		SCH228401	3600	20,030	0	PT
93.847		SDPP2021JC02	3600	216,896	0	PT
93.847		SUBK00011237AM02	3600	3,984	0	PT
93.847		SUBK00011237AM03	3600	2,381	0	PT
93.847		UK1GRADEKS18SIBCR	3600	2,146	0	PT
93.847		UK1GRADEKS19SIBCR	3600	17,715	0	PT
93.847		UK1GRADEUK16SIBCR	3600	864	0	PT
93.847		UK1GRADEUK17SIBCR	3600	9,505	0	PT
93.847		UK1GRADEWL15SIBCR	3600	11,945	0	PT
93.847		UW637175	3600	(420)	0	PT
93.847		UW638893	3600	137	0	PT
93.847		UW662724	3600	61,030	0	PT
93.847		UW663868	3600	237,071	0	PT
93.847		UW666140	3600	126,097	0	PT
93.847			3650	1,413,229	199,522	
93.847		401536	3650	135,092	0	PT
93.847		575452	3650	76,170	0	PT
93.847		FY17001016	3650	34,833	0	PT
93.847		R01DK108765S001	3650	154,829	0	PT
93.847		RGF010786A	3650	77,074	0	PT
<b>Federal Program 93.847 Total</b>				<b>34,696,442</b>	<b>5,904,809</b>	
93.853	Extramural Research Programs in the Neurosciences		3600	18,811,964	2,780,128	
93.853		0000000112MODO1	3600	6,053	0	PT
93.853		000013147GAM01	3600	23,903	0	PT
93.853		000013150AAM01	3600	54,189	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



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**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.853	Extramural Research Programs in the Neurosciences	0001069151	3600	20,736	0	PT
93.853		0001076616	3600	1,483	0	PT
93.853		01061832	3600	1	0	PT
93.853		010785135574AM02	3600	11,464	0	PT
93.853		011266135574AM01	3600	(227)	0	PT
93.853		011337135574AM01	3600	20,433	0	PT
93.853		012043135574	3600	3,187	0	PT
93.853		012044135574AM01	3600	1,505	0	PT
93.853		012340135574	3600	5,777	0	PT
93.853		0255C8014609AM03	3600	284,234	0	PT
93.853		0255C8014609AM2	3600	64,517	0	PT
93.853		1012547UWAAM02	3600	40,161	0	PT
93.853		1013756UWAAM01	3600	39,659	0	PT
93.853		1013756UWAAM02	3600	202,982	0	PT
93.853		1015158UW	3600	2,365	0	PT
93.853		1015158UWAM01	3600	26,016	0	PT
93.853		10945SC	3600	15,772	0	PT
93.853		10945SCAM02	3600	88,336	0	PT
93.853		11037SC	3600	44,970	0	PT
93.853		11480SUBMOD04	3600	35,475	0	PT
93.853		11713SUBMOD04	3600	4,625	0	PT
93.853		131551397	3600	6,749	0	PT
93.853		136560897AM01	3600	16,199	0	PT
93.853		1482SUB	3600	32,891	0	PT
93.853		14942051049390302AM02	3600	(24)	0	PT
93.853		14942051049390402AM03	3600	108,394	0	PT
93.853		1580GYB506AM01	3600	336,904	0	PT
93.853		166222165999	3600	11,336	0	PT
93.853		168355168352	3600	117,564	0	PT
93.853		1GG01200602AM04	3600	(74)	0	PT
93.853		1GG01200603AM05	3600	256,628	0	PT
93.853		2003445452AM03	3600	7,837	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.853	Extramural Research Programs in the Neurosciences	2004815974	3600	94,592	0	PT
93.853		201701A121200	3600	(1)	0	PT
93.853		204448UWAAM02	3600	140,521	0	PT
93.853		213056UWAAM03	3600	85,780	0	PT
93.853		232940AM03	3600	178,449	0	PT
93.853		233481AM001	3600	45,507	0	PT
93.853		3021754AM01	3600	14,896	0	PT
93.853		417793URFAOGR510748A	3600	(16,036)	0	PT
93.853		428629	3600	90,667	0	PT
93.853		567147	3600	5,269	0	PT
93.853		576480AM02	3600	36,300	0	PT
93.853		578474	3600	24,480	0	PT
93.853		580573AM02	3600	57,565	0	PT
93.853		60043694UWA03	3600	(5,269)	0	PT
93.853		60043694UWAMA04	3600	58,804	0	PT
93.853		60054064WASHAMA02	3600	132,411	0	PT
93.853		61311385124387AM06	3600	2,167	687	PT
93.853		61855870125439AM05	3600	24,021	0	PT
93.853		7891SCAM11	3600	443	0	PT
93.853		9670SCAM08	3600	284,326	0	PT
93.853		A211324S007	3600	20,263	0	PT
93.853		A302023	3600	72,814	0	PT
93.853		A365374	3600	36,438	0	PT
93.853		DM24UW1	3600	5,557	0	PT
93.853		IJ23IJ21SIBCR	3600	4,647	0	PT
93.853		IJ23IJ22SIBCR	3600	16,993	0	PT
93.853		IJ23JANSSD2SIBCRM00	3600	10,461	0	PT
93.853		IJ23WANGM1SIBCR	3600	9,418	0	PT
93.853		IJ23WANGM2SIBCRM01	3600	38,666	0	PT
93.853		KB26BBENBOS1SIBCR	3600	20,869	0	PT
93.853		N008333201	3600	18,211	0	PT
93.853		N008333201AM01	3600	43,333	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.853	Extramural Research Programs in the Neurosciences	PE154PE14SIBCR	3600	11,437	0	PT
93.853		PE154PE15SIBCR	3600	7,485	0	PT
93.853		PE154SIKKEC1SIBCR	3600	21,870	0	PT
93.853		PRIME1R01NS11085601	3600	(18,942)	0	PT
93.853		PRIME5R01NS11085602	3600	84,754	0	PT
93.853		S397592AM02	3600	12,433	12,433	PT
93.853		S397592AM04	3600	502,687	181,204	PT
93.853		S407472AM03	3600	210,529	0	PT
93.853		SA15008UW	3600	12,878	0	PT
93.853		SA15008UWPO64053AM04	3600	62,642	0	PT
93.853		SUBK00007467AM02	3600	348,024	0	PT
93.853		SUBK10405CSPR002	3600	53,209	0	PT
93.853		SUBK10405CSPR002AM02	3600	335	0	PT
93.853		TD116HS23SIBCR	3600	3,005	0	PT
93.853		TD116HS24SIBCRM001	3600	11,413	0	PT
93.853		UC1LJ16BHS23SIBCRM0	3600	(527)	0	PT
93.853		UW639582	3600	600	0	PT
93.853		WAS22406304AM04	3600	1,182	0	PT
93.853		WAS232483AM03	3600	6,239	0	PT
93.853			3650	1,245,810	185,559	
93.853			3700	119,203	17,248	
<b>Federal Program 93.853 Total</b>				<b>24,952,812</b>	<b>3,177,259</b>	
93.855	Allergy and Infectious Diseases Research		3600	63,213,500	10,726,107	
93.855	COVID-19 – Allergy and Infectious Diseases Research		3600	3,567,021	35,845	
93.855	Allergy and Infectious Diseases Research	0000000248	3600	23,601	0	PT
93.855		0000000807	3600	140,859	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0000001055	3600	14,547	0	PT
93.855	Allergy and Infectious Diseases Research	00001033611	3600	16,639	0	PT
93.855		0000962047AM02	3600	101,434	0	PT
93.855		0000962048AM02	3600	18,076	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.855	Allergy and Infectious Diseases Research	0000981927AM02	3600	(6,908)	0	PT
93.855		0000985277AM02	3600	(821)	0	PT
93.855		0000986153	3600	(126)	0	PT
93.855		0000994797	3600	(1,217)	0	PT
93.855		0000994984	3600	(536)	0	PT
93.855		0000996045AM01	3600	8,408	0	PT
93.855		0001001217	3600	(367)	0	PT
93.855		0001009315AM01	3600	4,296	0	PT
93.855		0001009329AM02	3600	207,917	0	PT
93.855		0001009383AM01	3600	222,058	0	PT
93.855		0001011527	3600	88,353	0	PT
93.855		0001011592AM01	3600	184,361	0	PT
93.855		0001012166AM01	3600	110,309	0	PT
93.855		0001012195AM01	3600	237,971	0	PT
93.855		0001012210AM01	3600	550,706	0	PT
93.855		0001012213	3600	23,300	0	PT
93.855		0001012270	3600	198,958	0	PT
93.855		0001012286	3600	201,901	0	PT
93.855		0001012355AM02	3600	76,309	0	PT
93.855		0001012526AM01	3600	30,047	0	PT
93.855		0001013124AM01	3600	28,117	0	PT
93.855		0001013125AM01	3600	56,888	0	PT
93.855		0001013815AM01	3600	14,943	0	PT
93.855		0001013910AM01	3600	31,454	0	PT
93.855		0001014198AM01	3600	109,878	0	PT
93.855		0001015916AM02	3600	80,238	0	PT
93.855		0001020283AM02	3600	25,696	0	PT
93.855		0001022939AM01	3600	56,653	0	PT
93.855		0001022939AM02	3600	33,707	0	PT
93.855		0001024201AM01	3600	43,138	0	PT
93.855		0001024201AM02	3600	14,831	0	PT
93.855		0001028296	3600	200,448	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.855	Allergy and Infectious Diseases Research	0001028430	3600	16,421	0	PT
93.855		0001028526AM02	3600	200,150	0	PT
93.855		0001029242	3600	22,414	0	PT
93.855		0001029242AM02	3600	2,040	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001029821AM01	3600	218,544	0	PT
93.855		0001034096	3600	194,157	0	PT
93.855	Allergy and Infectious Diseases Research	0001034464	3600	1,238,810	0	PT
93.855		0001035447	3600	12,764	0	PT
93.855		0001036429	3600	2,584	0	PT
93.855		0001037245	3600	18,644	0	PT
93.855		0001037247	3600	187,488	0	PT
93.855		0001037336AM02	3600	241,618	0	PT
93.855		0001037385	3600	80,642	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001037385AM01	3600	185,552	0	PT
93.855	Allergy and Infectious Diseases Research	0001037495	3600	193,961	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001039238	3600	290,356	0	PT
93.855		0001039732	3600	7,959	0	PT
93.855		0001040438AM01	3600	133,787	0	PT
93.855		0001040489AM01	3600	22,273	0	PT
93.855		0001042324AM02	3600	1,232,286	0	PT
93.855		0001044376AM001	3600	444,874	0	PT
93.855	Allergy and Infectious Diseases Research	0001046141	3600	30,118	0	PT
93.855		0001051705	3600	42,153	0	PT
93.855		0001051747AM01	3600	220,160	0	PT
93.855		0001051757AM01	3600	264,434	0	PT
93.855		0001051952	3600	38,761	0	PT
93.855		0001055535AM01	3600	138,852	0	PT
93.855		0001058261	3600	135,362	0	PT
93.855		0001058324	3600	51,449	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001060397	3600	131,303	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.855	Allergy and Infectious Diseases Research	0001061258AM01	3600	161,125	0	PT
93.855		0001061297AM02	3600	159,463	0	PT
93.855		0001061302AM02	3600	57,499	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0001061398	3600	161,628	0	PT
93.855		0001062472AM01	3600	17,274	0	PT
93.855	Allergy and Infectious Diseases Research	0001063058	3600	14,589	0	PT
93.855		0001065948	3600	33,258	0	PT
93.855		0001066781AM02	3600	88,607	0	PT
93.855		0001069954	3600	99,493	0	PT
93.855		0001071171	3600	24,329	0	PT
93.855		000510836006AM06	3600	181,696	0	PT
93.855		000510836006AM08	3600	673,029	0	PT
93.855		000510836006AMA05	3600	177,337	0	PT
93.855		0121304S01	3600	149	0	PT
93.855		0121305S01	3600	217,196	0	PT
93.855		0121404S01	3600	1,531	0	PT
93.855		0121405S01	3600	132,852	0	PT
93.855		0121704S02	3600	315	0	PT
93.855		0121705S02	3600	124,845	0	PT
93.855		0129202S01	3600	49,860	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	0135002S01A01AM01	3600	726,934	0	PT
93.855	Allergy and Infectious Diseases Research	0255C1604609	3600	80,296	0	PT
93.855		0884MOD01PO1277891	3600	(1,500)	0	PT
93.855		10019SCAM035R01AI0984	3600	28,180	0	PT
93.855		1013170UWA	3600	93,052	0	PT
93.855		1013170UWAAM03	3600	958	0	PT
93.855		10182SCAM05	3600	26,541	0	PT
93.855		10182SCAM06	3600	2,689	0	PT
93.855		10951SCAM02	3600	81,996	0	PT
93.855		11003SCAM02	3600	44,235	0	PT
93.855		11003SCAM03	3600	79,971	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.855	Allergy and Infectious Diseases Research	11313SCAM04	3600	623,865	3,362	PT
93.855		11415SUBAM04	3600	14,069	0	PT
93.855		11645SUBMOD03	3600	393,636	0	PT
93.855		11645SUBMOD3	3600	71,180	0	PT
93.855		11670SUBMOD03	3600	58,875	0	PT
93.855		11671SUBMOD03	3600	88,566	0	PT
93.855		11917SUBMOD04	3600	110,641	0	PT
93.855		11927SUBMOD03	3600	40,233	0	PT
93.855		11972SUBMOD03	3600	40,947	0	PT
93.855		12119SC	3600	23,513	0	PT
93.855		12175SUBMOD01	3600	50,169	0	PT
93.855		12175SUBMOD02	3600	156,100	0	PT
93.855		12179SUBMOD01	3600	142,062	0	PT
93.855		12234SUBMOD01	3600	479,550	0	PT
93.855		12260SUB	3600	493,574	0	PT
93.855		12273SUBMOD01	3600	123,535	0	PT
93.855		12331SUB	3600	46,219	0	PT
93.855		12352SUB	3600	30,686	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	12353SUB	3600	37,775	0	PT
93.855	Allergy and Infectious Diseases Research	12366SUB	3600	19,986	0	PT
93.855		12372SUB	3600	9,412	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	12489SUB	3600	17,316	0	PT
93.855	Allergy and Infectious Diseases Research	12490SUB	3600	48,141	0	PT
93.855		12491SUB	3600	16,635	0	PT
93.855		12509SUB	3600	109,187	0	PT
93.855		12538SUB	3600	138,484	0	PT
93.855		12544SUB	3600	233,157	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	12550SUB	3600	11,215	0	PT
93.855	Allergy and Infectious Diseases Research	1391MOD01	3600	12,103	0	PT
93.855		15241651194570021	3600	3,043	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.855	Allergy and Infectious Diseases Research	1559GTA522AM09	3600	(6,134)	0	PT
93.855		1559GXG085	3600	88,469	0	PT
93.855		1560BWA953AM01	3600	99,151	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	1560BWA953AM02	3600	93,533	0	PT
93.855	Allergy and Infectious Diseases Research	1560BXC603	3600	47,434	0	PT
93.855		1560GWA590AM02	3600	129,600	0	PT
93.855		1560GWB672AM04	3600	26,262	0	PT
93.855		1560GYA816AM01	3600	30,381	0	PT
93.855		1626PO1389584	3600	207,552	0	PT
93.855		1650GWA395AM07	3600	157,937	0	PT
93.855		1650GYA480	3600	37,532	0	PT
93.855		1GG01523201AM01	3600	24,003	0	PT
93.855		2003036376AM12	3600	751,170	0	PT
93.855		20210003	3600	1,918	0	PT
93.855		202129	3600	13,594	0	PT
93.855		2023132AM02	3600	78,878	0	PT
93.855		203504UWAM02	3600	111,367	0	PT
93.855		208514301	3600	51,595	0	PT
93.855		20M23AM01	3600	33,051	0	PT
93.855		265708UWASH	3600	34,622	0	PT
93.855		4695AM03	3600	28,009	0	PT
93.855		5114996	3600	42,385	0	PT
93.855		5118694AM01	3600	273,672	0	PT
93.855		569316AM06	3600	425,788	0	PT
93.855		571209AM04	3600	9,772	0	PT
93.855		579787	3600	116,189	0	PT
93.855		60062782AM03	3600	198,535	0	PT
93.855		6610100083AM5	3600	(632)	0	PT
93.855		7137555AM01	3600	6,577	0	PT
93.855		73440803AM004	3600	26,021	0	PT
93.855		8133UW	3600	65,442	0	PT
93.855		90654UNIVOFWASHINGTONT	3600	12,606	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



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**Research and Development**

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.855	Allergy and Infectious Diseases Research	9155AM02	3600	349,038	0	PT
93.855		9645	3600	81,336	0	PT
93.855		9704AM01	3600	27,779	0	PT
93.855		A011120AM03	3600	177,373	0	PT
93.855		A031858	3600	279	0	PT
93.855		A119810AM03	3600	157,626	0	PT
93.855		A147555MOD01	3600	135,693	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	A147555MOD01	3600	108,656	0	PT
93.855	Allergy and Infectious Diseases Research	A263429	3600	279,687	0	PT
93.855		A390459AM01	3600	201,494	0	PT
93.855		A400416AM01	3600	129,491	0	PT
93.855		A413725	3600	2,568	0	PT
93.855		A416500	3600	138,876	0	PT
93.855		ADIUW2020001AM01	3600	51,040	0	PT
93.855		AM01	3600	52,010	0	PT
93.855		AWD000026821349442	3600	7,387	0	PT
93.855		CB2558SB897826AM04	3600	24,482	0	PT
93.855		FY19ITN318AM02	3600	149,264	0	PT
93.855		FY20349001AMD1	3600	81,343	0	PT
93.855		FY20ITN293AM02	3600	24,528	0	PT
93.855		FY20ITN361	3600	90,119	0	PT
93.855		FY20ITN404	3600	8,500	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	FY20ITN420	3600	130,281	0	PT
93.855	Allergy and Infectious Diseases Research	FY21ITN293FY20ITN293A	3600	17,520	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	FY21ITN387AM01	3600	83,819	0	PT
93.855		FY21ITN474	3600	7,987	0	PT
93.855	Allergy and Infectious Diseases Research	G16418W7010AM05	3600	103,781	0	PT
93.855		GMO180806AM03	3600	291,937	0	PT
93.855		LDR01MOD09PO20021311	3600	15,440	0	PT
93.855		LDR02MOD02PO20049080	3600	21,626	0	PT

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.855	Allergy and Infectious Diseases Research	MOD02	3600	(95)	0	PT
93.855		MOD03	3600	62,677	0	PT
93.855		OSP2018036AM04	3600	93,082	0	PT
93.855		OSP2018036AM06	3600	368,193	0	PT
93.855		P0515AA	3600	34,197	0	PT
93.855	COVID-19 – Allergy and Infectious Diseases Research	PO20002829MOD02	3600	68,175	0	PT
93.855	Allergy and Infectious Diseases Research	PO2004659507	3600	19,890	0	PT
93.855		PO21000543	3600	19,710	0	PT
93.855		POUS00242MOD19	3600	13,961	0	PT
93.855		PS232251MOD03	3600	696	0	PT
93.855		R1142049AM02	3600	109,068	0	PT
93.855		RES510939AM04	3600	735,946	0	PT
93.855		RNG210453BUDG01UW00	3600	7,916	0	PT
93.855		RNG210453UWAM01	3600	8,260	0	PT
93.855		S001012AM03	3600	269,912	0	PT
93.855		S006256	3600	47,249	0	PT
93.855		SP0001367302AM01	3600	16,361	0	PT
93.855		SP0001439601	3600	86,068	0	PT
93.855		TBC2019UOW	3600	(256)	0	PT
93.855		TBC2020UOW	3600	304,837	0	PT
93.855		UW632645	3600	65,250	0	PT
93.855		UW639484	3600	206	0	PT
93.855		UW662945	3600	466,752	0	PT
93.855		UW665985	3600	95,512	0	PT
93.855		UW686167	3600	1,925,216	0	PT
93.855		VUMC74709AM01	3600	152,927	0	PT
93.855		VUMC85657	3600	29,603	0	PT
93.855			3650	5,611,621	606,606	
93.855		31162B	3650	219,771	0	PT
93.855		5106846	3650	4,650	0	PT
93.855		H004942302	3650	104,676	0	PT
93.855		IN4688954WSU	3650	26,252	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.855	Allergy and Infectious Diseases Research	MO070619	3650	6,692	0	PT
93.855		WAS255636	3650	232,657	0	PT
<b>Federal Program 93.855 Total</b>				<b>100,484,675</b>	<b>11,371,920</b>	
93.859	Biomedical Research and Research Training		3600	37,980,090	2,368,013	
93.859		0001020041	3600	7,578	0	PT
93.859		1004493208AM03	3600	20,795	0	PT
93.859		1004493208AM05	3600	189,627	0	PT
93.859		1090654437057	3600	166,445	0	PT
93.859		20190005AM01	3600	134,914	0	PT
93.859		2019282AM1	3600	3,764	0	PT
93.859		2020174AM03	3600	9,686	0	PT
93.859		2020303AM03	3600	72,395	0	PT
93.859		2021196AM05	3600	46,252	0	PT
93.859		62244825136718AM01	3600	132,786	0	PT
93.859		62244825136718AM02	3600	561,761	0	PT
93.859		A032217AM01	3600	144,330	0	PT
93.859		A127786AM04	3600	64,387	0	PT
93.859		FP00011713SA001	3600	76,384	0	PT
93.859		FY19841001AM01PTE25A4	3600	2,108	0	PT
93.859		M2003379AM01	3600	47,767	0	PT
93.859		R960652AM06	3600	164,694	0	PT
93.859		UNIV60752AM03	3600	207,649	0	PT
93.859		UW639790	3600	521	0	PT
93.859		VUMC55495AM05	3600	2,368	0	PT
93.859			3650	3,918,305	493,441	
93.859		AWD00002352	3650	9,696	0	PT
93.859		G0019077500	3650	48,610	0	PT
93.859		M2100083	3650	79,419	0	PT
93.859		P0425AA	3650	6,886	0	PT
93.859		R15GM132845WSU	3650	27,159	0	PT
93.859		WU17182	3650	39,349	0	PT
93.859			3800	128,331	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.859	Biomedical Research and Research Training	#160086-U2017-004	3800	7,577	0	PT
93.859		205cre480	6990	27,098	0	PT
<b>Federal Program 93.859 Total</b>				<b>44,328,731</b>	<b>2,861,454</b>	
93.865	Child Health and Human Development Extramural Rese		3600	18,589,390	3,375,479	
93.865		0000991521AM01	3600	19,100	0	PT
93.865		0001007575	3600	69,936	0	PT
93.865		0001007575AM02	3600	4,987	0	PT
93.865		0001027004	3600	276,558	0	PT
93.865		0001027004AM01	3600	95,817	0	PT
93.865		0001033375AM01	3600	320,278	0	PT
93.865		1005136910	3600	52,275	0	PT
93.865		102469001001AM04	3600	16,354	0	PT
93.865		102492001001	3600	6,962	0	PT
93.865		11420515875107643AM001	3600	41,302	0	PT
93.865		11614SUBMOD04	3600	89,808	0	PT
93.865		11726701875119062	3600	15,147	0	PT
93.865		12119SUBMOD02	3600	125,501	0	PT
93.865		12292SUB	3600	18,414	0	PT
93.865		12380SUB	3600	3,800	0	PT
93.865		134751633AM01	3600	77,440	437	PT
93.865		1761100	3600	(132)	0	PT
93.865		1920GUA066AM04	3600	21,471	0	PT
93.865		1R44HD10120101	3600	31,980	0	PT
93.865		2004031129AM02	3600	114,389	0	PT
93.865		2020037	3600	28,137	0	PT
93.865		2021023AM02	3600	20,816	0	PT
93.865		208441510	3600	(38)	0	PT
93.865		2128261	3600	57,323	0	PT
93.865		28801AM03	3600	23,399	0	PT
93.865		3003879380AM06	3600	28,780	0	PT
93.865		3004910137AM03	3600	39,462	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.865	Child Health and Human Development Extramural Rese	3021485	3600	(3,125)	0	PT
93.865		3021745AM01	3600	43,462	0	PT
93.865		41257919124	3600	18,337	0	PT
93.865		5109092AM03	3600	254,726	0	PT
93.865		5112526AM2	3600	25,438	0	PT
93.865		5R42HD09347603SA01	3600	206,997	0	PT
93.865		60047828WASH	3600	44,399	0	PT
93.865		60047828WASHAM01	3600	43,028	0	PT
93.865		7000000288AM04	3600	327,703	0	PT
93.865		773K253AM03	3600	42,498	0	PT
93.865		AH19105003A1	3600	(169)	0	PT
93.865		AH19105003A2	3600	7,185	0	PT
93.865		AWD000031884171364	3600	2,542	0	PT
93.865		GJ115GJ12SIBCRMOD01	3600	4,467	0	PT
93.865		SMFM2021CF13	3600	970	0	PT
93.865		SUB0000417	3600	85,815	0	PT
93.865		SUBK00009201AM02	3600	27,727	0	PT
93.865		SUBK00009201PO30055415	3600	36,158	0	PT
93.865		TULHSC5575431920	3600	3,170	0	PT
93.865		UNI20120801PO66645877A	3600	14,596	0	PT
93.865		UW3122701AM02	3600	2,853	0	PT
93.865		UW664574	3600	20,733	0	PT
93.865		UW665699	3600	127,063	0	PT
93.865		WU19329MOD02	3600	162,159	0	PT
93.865			3650	3,269,554	365,893	
93.865		1013518WSU	3650	27,006	0	PT
93.865		ASUB00000308	3650	104,756	0	PT
93.865		SUBK00014051	3650	3,760	0	PT
<b>Federal Program 93.865 Total</b>				<b>25,092,464</b>	<b>3,741,809</b>	
93.866	Aging Research		3600	42,880,148	8,704,225	
93.866	COVID-19 – Aging Research		3600	92,632	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.866	Aging Research	000000685AM02	3600	3,413	0	PT
93.866		00000844AM05	3600	62,456	0	PT
93.866		0000981488AM02	3600	42,330	0	PT
93.866		0255B7414609AM02	3600	49,170	0	PT
93.866		0255B8514609AM03	3600	51,149	0	PT
93.866		0255B8514609AM05	3600	61,974	0	PT
93.866		100101720112971AM04	3600	18,059	0	PT
93.866		10041896AM02	3600	40,036	0	PT
93.866		1015875UWA	3600	89,320	0	PT
93.866		10358900001NIH173	3600	16,119	0	PT
93.866		10841SCAM02	3600	7,549	0	PT
93.866		109309268AM02	3600	116,742	0	PT
93.866		11075SCAM04	3600	12,906	0	PT
93.866		114101720551083AM02	3600	263,781	0	PT
93.866		115640AM06	3600	38,666	0	PT
93.866		1165465097910AM7	3600	8,912	0	PT
93.866		119900AM02	3600	35,104	0	PT
93.866		12347SC	3600	135,684	0	PT
93.866		124009907AM02	3600	39,791	0	PT
93.866		131446809	3600	2,025	0	PT
93.866		137298298	3600	210,119	0	PT
93.866		1558GTA326AM08	3600	86,532	0	PT
93.866		1558GWA112AM03	3600	16,229	0	PT
93.866		1558GWA254AM01	3600	(10)	0	PT
93.866		1560BWB288AM02	3600	2,320	0	PT
93.866		163900163897AM01	3600	(3,705)	0	PT
93.866		164388164378	3600	813	0	PT
93.866		164388164378AM02	3600	166,682	0	PT
93.866		168701168699	3600	8,322	0	PT
93.866		168780167810AM01	3600	92,755	0	PT
93.866		186101720441341AM04	3600	14,297	0	PT
93.866		1GG01479201	3600	32,707	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.866	Aging Research	2019129602AM01	3600	34,268	0	PT
93.866		20200009	3600	10,178	0	PT
93.866		20M68	3600	60,592	0	PT
93.866		280201015S221AM04	3600	229,555	0	PT
93.866		30340SUB52029UOFWASH	3600	28,071	0	PT
93.866		31169CAM04	3600	269,785	0	PT
93.866		311806P0818088	3600	21,816	0	PT
93.866		311807	3600	8,003	0	PT
93.866		371101720111041	3600	36,645	0	PT
93.866		418400002UWAM02	3600	519,075	0	PT
93.866		4500003041AM003	3600	189,790	0	PT
93.866		4500003082AM03	3600	88,659	0	PT
93.866		4500003184AM01	3600	116,963	0	PT
93.866		4500003432AM01	3600	112,618	0	PT
93.866		4500003470AM001	3600	71,230	0	PT
93.866		4500003677AM002	3600	253,452	0	PT
93.866		4500003830	3600	69,666	0	PT
93.866		573045AM03	3600	47,685	0	PT
93.866		577437AM02	3600	19,002	0	PT
93.866		579279	3600	7,795	0	PT
93.866		579279AM01	3600	42,909	0	PT
93.866		580327AM01	3600	27,119	0	PT
93.866		580529PO4557311	3600	60,257	0	PT
93.866		582036AM02	3600	10,014	0	PT
93.866		5GG01582202AM01	3600	38,629	0	PT
93.866		60048329UWAMA03	3600	5,449	0	PT
93.866		60048330UWA04	3600	15,051	0	PT
93.866		60048331UW	3600	5,901	0	PT
93.866		60048332UWA03	3600	99,962	0	PT
93.866		61314414124531AM09	3600	439,234	0	PT
93.866		61627910128473AM03	3600	56,260	0	PT
93.866		7661	3600	91,625	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.866	Aging Research	87749088AM003	3600	500	0	PT
93.866		97832536AM02	3600	64,188	0	PT
93.866		A033241AM01	3600	479,522	0	PT
93.866		A142285	3600	72,829	0	PT
93.866		A142285AM01	3600	890,995	0	PT
93.866		A142285AM02	3600	492,226	0	PT
93.866		A234165	3600	106,150	0	PT
93.866		A371839AM01	3600	245,187	0	PT
93.866		AWD000035471358751	3600	34,601	0	PT
93.866		BW218BW22SIBCR	3600	2,170	0	PT
93.866		BW218BW23SIBCR	3600	23,765	0	PT
93.866		BW218FUJIMT1SIBCR	3600	5,115	0	PT
93.866		BW218OMERM1SIBCR	3600	39,163	0	PT
93.866		BW218SFUJIMT1SIBCR	3600	568	0	PT
93.866		BW219OMERM1SIBCRM0	3600	28,483	0	PT
93.866		BW29HANSEK4SIBCR	3600	17,544	0	PT
93.866		FY19875002FY20875002A	3600	31,972	0	PT
93.866		GJ118GJ11SIBCRM0D1	3600	14,544	0	PT
93.866		GJ118GJ12SIBCRM0D01	3600	3,169	0	PT
93.866		GJ118HERODM1SIBCRM0	3600	1,858	0	PT
93.866		GJ118HERODM2SIBCRM0	3600	4,853	0	PT
93.866		GJ118MIRANG1SIBCR	3600	14,820	0	PT
93.866		GJ118UW1	3600	28,751	0	PT
93.866		GL064596UWSY4AM03	3600	27,399	0	PT
93.866		IJ22IJ22SIBCR	3600	31,165	0	PT
93.866		IJ22IJ23SIBCR	3600	7,613	0	PT
93.866		IJ22JANSSD2SIBCR	3600	4,178	0	PT
93.866		IJ22WANGM2SIBCR	3600	41,054	0	PT
93.866		KB210AHANM1SIBCR	3600	22,450	0	PT
93.866		KB210AKB21SIBCR	3600	16,214	0	PT
93.866		KB210AMCMILP1SIBCRM	3600	28,205	0	PT
93.866		KB210AMCMILP2SIBCR	3600	13,017	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



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93.866	Aging Research	KB210AWALDHS12SIBCR	3600	15,507	0	PT
93.866		KB210AWALDHS13SIBCR	3600	9,585	0	PT
93.866		KB211ECKR1SIBCR	3600	3,724	0	PT
93.866		KB211JADHAV1SIBCR	3600	3,359	0	PT
93.866		KB211KB24SIBCR	3600	29,627	0	PT
93.866		KB211KB25SIBCR	3600	10,013	0	PT
93.866		KB29KB21SIBCR	3600	3,960	0	PT
93.866		KB29KB22SIBCR	3600	19,465	0	PT
93.866		KS121WFUKS13SIBCR	3600	13,454	0	PT
93.866		KS121WFUSOCHAJ3SIBC	3600	3,725	0	PT
93.866		NORTIS001AM01	3600	50,028	0	PT
93.866		OS00000066AM04SPC0002	3600	112,009	0	PT
93.866		P008447401	3600	73,788	0	PT
93.866		PE155PE15SIBCRM01	3600	5,962	0	PT
93.866		PE155RM15SIBCRM01	3600	97,469	0	PT
93.866		PE155RM16SIBCR	3600	33,914	0	PT
93.866		RES514787AM01	3600	13,830	0	PT
93.866		RES515786	3600	68,509	0	PT
93.866		RNG002694UWOFFCAMP	3600	259,885	0	PT
93.866		RNG002694UWOFFCAMP	3600	637,211	0	PT
93.866		RNG002694UWONCAMP	3600	347,353	0	PT
93.866		RNG002694UWONCAMP	3600	235,738	0	PT
93.866		RNG209925BUDG02UW01	3600	(10,862)	0	PT
93.866		RNG209925UWAM04	3600	130,202	0	PT
93.866		SHL212004AM02	3600	44,810	0	PT
93.866		STE219611AM01	3600	82,402	0	PT
93.866		SUB00002628	3600	3,829	0	PT
93.866		SUBK00009657AM02	3600	76,883	0	PT
93.866		SUBK00009932PO30052399	3600	4,743	0	PT
93.866		SUBK00011202	3600	(17,986)	0	PT
93.866		SUBK00011202AM01	3600	123,750	0	PT
93.866		SUBK00011202AM02	3600	49,247	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.866	Aging Research	SUBK00014556AM01	3600	14,203	0	PT
93.866		TD112AELMORS3SIBCR	3600	39,298	0	PT
93.866		TD112ATD13SIBCR	3600	7,846	0	PT
93.866		TD120TD12SIBCR	3600	3,306	0	PT
93.866		TD122HS21SIBCR	3600	(49)	0	PT
93.866		TD122HS22SIBCR	3600	7,138	0	PT
93.866		TD122TD11SIBCR	3600	3,163	0	PT
93.866		TD122TD12SIBCR	3600	17,959	0	PT
93.866		TD122UW1	3600	6,453	0	PT
93.866		UOW26313401PO67509304	3600	99,771	0	PT
93.866		VUMC68180AM03	3600	279,066	0	PT
93.866		WAS26313401AM01	3600	4,864	0	PT
93.866			3650	1,537,833	228,635	
93.866		765335874P	3650	24,466	0	PT
93.866		A201801S001	3650	5,235	0	PT
93.866		FY16001015	3650	23,135	0	PT
<b>Federal Program 93.866 Total</b>				<b>55,185,373</b>	<b>8,932,860</b>	
93.867	Vision Research		3600	14,748,167	957,756	
93.867		00009470	3600	58,550	0	PT
93.867		123204958AM02	3600	73,730	0	PT
93.867		2004876349AM02	3600	1,765	0	PT
93.867		20200288AM01	3600	135,530	0	PT
93.867		62015716136077	3600	215,384	0	PT
93.867		62015716136077AM02	3600	370,733	0	PT
93.867		62066366133041AM02	3600	129,348	0	PT
93.867		PO6123363	3600	8,186	0	PT
93.867		PO6152192AM01	3600	13,291	0	PT
93.867		PROTOCOLUSITE47	3600	77	0	PT
93.867		UW667322	3600	28,808	0	PT
93.867		UW668243	3600	26,968	0	PT
93.867			3650	299,850	3,266	
93.867		1014154WSU	3650	149,240	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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June 30, 2021  
(Expressed in whole dollars)*

**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.867	Vision Research	2003370134	3650	131,478	0	PT
<b>Federal Program 93.867 Total</b>				<b>16,391,105</b>	<b>961,022</b>	
93.879	Medical Library Assistance		3600	4,263,688	533,963	
93.879		E2048782AM02	3600	20,681	0	PT
93.879		RNG003046BUDG03UW01	3600	18,781	0	PT
93.879		SA0000747	3600	40,199	0	PT
93.879			3650	53,536	0	
93.879			3800	127,904	0	
93.879		1T09	6990	14,822	0	PT
<b>Federal Program 93.879 Total</b>				<b>4,539,611</b>	<b>533,963</b>	
<b>National Institutes of Health Total</b>				<b>367,354,468</b>	<b>45,920,850</b>	
93.941	HIV Demonstration, Research, Public and Profession		3600	959,877	113,486	
<b>Federal Program 93.941 Total</b>				<b>959,877</b>	<b>113,486</b>	
93.978	Sexually Transmitted Diseases (Std) Provider Educa		3600	1,083,235	24,582	
<b>Federal Program 93.978 Total</b>				<b>1,083,235</b>	<b>24,582</b>	
<b>Centers for Disease Control and Prevention Total</b>				<b>2,043,112</b>	<b>138,068</b>	
93.989	International Research and Research Training		3600	2,170,250	448,649	
93.989		001	3600	(3,560)	0	PT
93.989		002	3600	48,183	0	PT
93.989		002AM02	3600	38,590	0	PT
93.989		003AM02	3600	16,198	0	PT
93.989		A110910819CHS0502AM05	3600	64,108	0	PT
93.989		A110910819CHS0502AM3	3600	10,810	0	PT
93.989		A148150AM01	3600	25,263	0	PT
93.989		A148221	3600	26,018	0	PT
93.989		A151134AM01	3600	6,112	0	PT
93.989		UON1R21TW01146001MO	3600	63,391	0	PT
93.989		UONUW1R25TW01121202	3600	15,623	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.989	International Research and Research Training	UONUW5D43TW01014105	3600	2,595	0	PT
93.989			3650	61,284	0	
<b>Federal Program 93.989 Total</b>				<b>2,544,865</b>	<b>448,649</b>	
<b>National Institutes of Health Total</b>				<b>2,544,865</b>	<b>448,649</b>	
93.RD	Department of Health and Human Services - Unknown	0000865655AM04	3600	8,987	0	PT
93.RD		0000908589AM04	3600	(3,253)	0	PT
93.RD		0000935635AM04	3600	5,136	0	PT
93.RD		000500918T015003AM01	3600	(18,523)	0	PT
93.RD		000500918T015004	3600	457	0	PT
93.RD		000500918T015004AM01	3600	(2,461)	0	PT
93.RD		000524050T006009AM05	3600	(2,173)	(5,821)	PT
93.RD		000524050T007007AM03	3600	7,578	0	PT
93.RD		000524050T009010	3600	8,968	0	PT
93.RD		000527765T001001AM01	3600	163,488	0	PT
93.RD		000527765T002001AM03	3600	125,863	0	PT
93.RD		000527766T002001AM02	3600	354,596	0	PT
93.RD		00062660AM03	3600	71,405	0	PT
93.RD		0215101S01	3600	38,010	0	PT
93.RD		0215102S01	3600	47,909	0	PT
93.RD		1004235902AM05	3600	69,663	0	PT
93.RD		1004235902AM06	3600	169,576	0	PT
93.RD		1004354UWAAM08	3600	6,229	0	PT
93.RD		1014432UWAAM01	3600	246,717	0	PT
93.RD		1014432UWAAM02	3600	145,713	0	PT
93.RD		1016578UWA	3600	5,501	0	PT
93.RD		1097865110787AM01	3600	351,246	0	PT
93.RD		1121100117929049AM01	3600	259,628	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	1123360117933669AM01	3600	190,484	0	PT
93.RD	Department of Health and Human Services - Unknown	11735UW152MOD01	3600	29,564	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.RD	Department of Health and Human Services - Unknown	12157SUBAM01	3600	(26,427)	0	PT
93.RD		12158SUB	3600	40,052	0	PT
93.RD		12159SUBAM02	3600	94,173	0	PT
93.RD		12160SUBAM01	3600	321,978	0	PT
93.RD		12161SUB	3600	38,487	0	PT
93.RD		12162SUB	3600	32,768	0	PT
93.RD		12163SUB	3600	12,519	0	PT
93.RD		12231SUBAM01	3600	48,542	0	PT
93.RD		12232SUBAM01	3600	229,706	0	PT
93.RD		12248SUB	3600	41,203	0	PT
93.RD		12248SUBAM01	3600	265,733	0	PT
93.RD		12357SUB	3600	7,109	0	PT
93.RD		12409SUB	3600	125,310	0	PT
93.RD		12410SUBAM01	3600	93,398	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	12412SUB	3600	49,311	0	PT
93.RD	Department of Health and Human Services - Unknown	12421SUB	3600	26,619	0	PT
93.RD		12424SUB	3600	48,660	0	PT
93.RD		12426SUB	3600	844,346	0	PT
93.RD		12429SUB	3600	578,200	0	PT
93.RD		12436SUB	3600	48,380	0	PT
93.RD		12452SUBYEAR2BASE	3600	31,081	0	PT
93.RD		12454SUB	3600	241,871	0	PT
93.RD		12455SUB	3600	1,716	0	PT
93.RD		12520SUBOPTION2	3600	10,286	0	PT
93.RD		131446521	3600	5,185	0	PT
93.RD		14011000070000MOD04	3600	69,700	48,600	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	146SPS260845	3600	3,388	0	PT
93.RD	Department of Health and Human Services - Unknown	1600258DAMTO03	3600	36,142	0	PT
93.RD		1600258DAMTO09	3600	4,057	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.RD	Department of Health and Human Services - Unknown	1600258DTASK2	3600	14,084	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	20042803SUB02	3600	566,874	1,231	PT
93.RD	Department of Health and Human Services - Unknown	238257	3600	26,381	0	PT
93.RD		3133203UWPOAM01	3600	66,053	0	PT
93.RD		3732CHSAM01	3600	8,157	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	3RJE6	3600	6,165	0	PT
93.RD		3RJK7AM01	3600	144,287	0	PT
93.RD	Department of Health and Human Services - Unknown	49860MOD01	3600	68,108	0	PT
93.RD		50065MOD01	3600	9	0	PT
93.RD		50238S05787AM01	3600	(99)	0	PT
93.RD		5116778AM01	3600	37,805	0	PT
93.RD		5116789AM01	3600	39,421	0	PT
93.RD		660002S015MOD02	3600	113,655	0	PT
93.RD		6611125081912	3600	813	0	PT
93.RD		686K836AM05	3600	11,302	0	PT
93.RD		686K862AM05	3600	(9,179)	0	PT
93.RD		7271OPPORTUNITY1TO51	3600	3,250	0	PT
93.RD		75D30119C06836	3600	(1)	0	
93.RD	COVID-19 – Department of Health and Human Services - Unknown	75D30120C09190	3600	391,554	0	
93.RD		75D30120C09322AM01	3600	1,040,858	0	
93.RD		75D30120C09610MOD01	3600	486,377	31,590	
93.RD		75D30121C10207	3600	87,869	0	
93.RD	Department of Health and Human Services - Unknown	75D30121C10982	3600	26,762	0	
93.RD		75N92020F00001	3600	2,781,689	169,712	
93.RD		75N92020F00002	3600	44,367	0	
93.RD		75N92020P00092	3600	3,419	0	
93.RD		75N92021D0000675N92021	3600	947,317	82,798	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.RD	Department of Health and Human Services - Unknown	75N93019C00063PO54954	3600	566,683	162,216	
93.RD		75N93019C00063PO577456	3600	419,089	44,930	
93.RD		75N93019P00758	3600	(3,634)	0	
93.RD		75N94019C00006	3600	9,257	0	PT
93.RD		75N94019C00006AM01	3600	24,848	0	PT
93.RD		75N94020D0000675N94020	3600	24,429	0	
93.RD		75N95021C00008	3600	86,537	0	
93.RD		811K731AMO3	3600	5,752	0	PT
93.RD		A134573	3600	(2,521)	0	PT
93.RD		AM01	3600	53,780	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	AWD101462E	3600	179,444	0	PT
93.RD	Department of Health and Human Services - Unknown	CRBSSSS18005450MOD02	3600	69,811	0	PT
93.RD		HHSN268201500003IMOD0	3600	(833)	0	
93.RD		HHSN268201800001I	3600	466,435	0	
93.RD		HHSN268201800001IHHSN	3600	2,046,506	0	
93.RD		HHSN272200800004CUWM	3600	2,564	0	PT
93.RD		HHSN272201300023CMOD	3600	(4,810)	0	
93.RD		HHSN272201300023CMOD	3600	5	0	
93.RD		HHSN272201300023CP012	3600	3,537	0	
93.RD		HHSN272201800008CAM0	3600	58,310	27,972	
93.RD		HHSN272201800008CAM0	3600	2,122,074	96,544	
93.RD		HHSN272201800008CAM0	3600	6,751	0	
93.RD		HHSN275201300025IAM08	3600	39,720	0	
93.RD		HHSN275201300025IMOD1	3600	26,146	0	
93.RD		HHSN275201300025IMODP	3600	1,172,778	624,594	
93.RD		HHSN275201300025IP0001	3600	232,547	0	
93.RD		K00234200S02	3600	30,930	0	PT
93.RD		MIDS19F0003T0014	3600	2,393	0	PT
93.RD		MOD03	3600	16,807	0	PT
93.RD		MOD04	3600	196,343	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**Research and Development**

**Dept of Health & Human Services**

Federal Catalog No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
93.RD	Department of Health and Human Services - Unknown	MOD05	3600	9,971	0	PT
93.RD		MW20180621	3600	7,351	0	PT
93.RD		P1090PO2002565212	3600	3,649	0	PT
93.RD		P9825P9881AM04	3600	773	0	PT
93.RD		PO111110200201587699	3600	1,479	0	PT
93.RD		PO2152280REV01	3600	110,446	0	PT
93.RD		REQ2198PROJECT6223101	3600	(4,207)	0	PT
93.RD		RNG002833BUDG03SUBU	3600	49,997	0	PT
93.RD		RNG209676BUDG01UW00	3600	2,569	0	PT
93.RD		RNG21046BUDG01UW00A	3600	91,655	0	PT
93.RD		RNG210945UW	3600	3,704	0	PT
93.RD		RNG210946UW	3600	4,921	0	PT
93.RD		SHSTA1001UW	3600	53,978	0	PT
93.RD		SP003377960044358UWAS	3600	12,100	0	PT
93.RD		SP003377960047201UWAS	3600	8,555	0	PT
93.RD		SP13925SB11AM02	3600	5,807	0	PT
93.RD		TO1PO2017135605MOD08	3600	966	0	PT
93.RD		UW634164	3600	(3,544)	0	PT
93.RD		UW636710	3600	3,278	0	PT
93.RD		UW639250	3600	7,488	0	PT
93.RD		UW663993	3600	5,421	0	PT
93.RD		UW666174	3600	7,488	0	PT
93.RD		UW666806	3600	8,551	0	PT
93.RD		UW666857	3600	30,816	0	PT
93.RD		UW668867	3600	2,332	0	PT
93.RD		UW669877	3600	2,539	0	PT
93.RD		UW684295	3600	1,012	0	PT
93.RD		UW684354	3600	2,817	0	PT
93.RD		UWSUBCONTRACTNO3M	3600	110,088	22,536	PT
93.RD		UWSUBCONTRACTNO4	3600	376,018	0	PT
93.RD	COVID-19 – Department of Health and Human Services - Unknown	VUMC81589AM02	3600	30,645	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
<b>Federal Program 93.RD Total</b>				<b>21,311,439</b>	<b>1,306,902</b>	
<b>HHS Contract Number Only Provided Total</b>				<b>21,311,439</b>	<b>1,306,902</b>	
<b>Dept of Health &amp; Human Services Total</b>				<b>647,629,959</b>	<b>83,653,180</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**Dept of Homeland Security**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
97.RD	Homeland Security - Unknown CFDA Number	50518578052AM01	3600	64,038	0	PT
97.RD		HSHQDC15CB0033AMP00	3600	(162)		153
<b>Federal Program 97.RD Total</b>				<b>63,876</b>	<b>153</b>	
<b>Hs Contract Number Only Provided Total</b>				<b>63,876</b>	<b>153</b>	
<b>Dept of Homeland Security Total</b>				<b>63,876</b>	<b>153</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Research and Development**

**U.S. Agency for International Development**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
98.RD	US Agency for International Development - Unknown	401UWMOD05	3600	(6,288)	0	PT
98.RD		ICF55615401658738CRTAM	3600	29,731	0	PT
98.RD		MTAPS19006AM07	3600	35,580	0	PT
98.RD		MTAPS19014AM02	3600	446	0	PT
98.RD		MTAPS20037PO21MSH032	3600	19,337	0	PT
98.RD		19390031245514	3650	29,591	0	PT
98.RD		RC102095BHEARDBANGL	3650	9,817	0	PT
98.RD		RC102095BHEARDKENYA	3650	6,377	0	PT
<b>Federal Program 98.RD Total</b>				<b>124,591</b>	<b>0</b>	
<b>US Agency for International Development Total</b>				<b>124,591</b>	<b>0</b>	
<b>U.S. Agency for International Development Total</b>				<b>124,591</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Research and Development**

**Undetermined Fed Agency**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
99.RD	Federal Assistance - Miscellaneous - Unknown CFDA	17111009000004AM04	3600	37,263		0
99.RD		1740060301MOD07	3600	196,247		0 PT
99.RD		95332418F0334P00001	3600	1,524		0
99.RD		D8919S3AM02	3600	264,377		0 PT
99.RD		MMC19173	3600	5,748		0
99.RD		SC1928802	3600	27,847		0 PT
<b>Federal Program 99.RD Total</b>				<b>533,006</b>		<b>0</b>
<b>Unknown Fed Agy Contract Number Only Provided Total</b>				<b>533,006</b>		<b>0</b>
<b>Undetermined Fed Agency Total</b>				<b>533,006</b>		<b>0</b>
<b>Research and Development Total</b>				<b>1,028,208,592</b>	<b>109,605,144</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Student Financial Assistance**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
84.007	Federal Supplemental Educational Opportunity Grant	84.007A	3600	2,894,741		0
84.007		SEOG	3650	2,208,286		0
84.007		SEOG	3700	509,475		0
84.007			3750	413,950		0
84.007		84.007	3760	364,365		0
84.007		FSEOG	6990	5,296,283		0
<b>Federal Program 84.007 Total</b>				<b>11,687,100</b>		<b>0</b>
84.033	Federal Work-Study Program	84.033A	3600	4,146,179		0
84.033			3650	519,268		0
84.033		FWS	3700	585,396		0
84.033			3750	125,130		0
84.033		84.033	3760	327,578		0
84.033			3800	522,856		0
84.033		n/a	6990	2,085,886		0
<b>Federal Program 84.033 Total</b>				<b>8,312,293</b>		<b>0</b>
84.038	Federal Perkins Loan Program		3600	27,011,668		0 OL
84.038		84.038	3600	(4,164,166)		0 OL
84.038			3650	12,675,181		0 OL
84.038			3700	2,381,732		0 OL
84.038		Perkins	3700	(556,260)		0 OL
84.038			3750	(1,716)		0 OL
84.038			3750	1,944,028		0 OL
84.038			3760	2,123,113		0 OL
84.038		84.038	3760	(662,499)		0 OL
84.038			3800	6,029,600		0 OL
84.038		Perkins Loan Program	3800	(1,279,212)		0 OL
84.038			6990	652,827		0 OL
84.038		na	6990	(99,643)		0 OL
<b>Federal Program 84.038 Total</b>				<b>46,054,653</b>		<b>0</b>
84.063	Federal Pell Grant Program	84.063A	3600	52,024,071		0
84.063		Pell	3650	34,107,695		0

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Student Financial Assistance**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
84.063	Federal Pell Grant Program	PELL Grant	3700	15,875,087		0
84.063			3750	17,289,570		0
84.063		84.063	3760	5,625,318		0
84.063			3800	15,179,246		0
84.063		PELL	6990	139,589,046		0
<b>Federal Program 84.063 Total</b>				<b>279,690,033</b>		<b>0</b>
84.268	Federal Direct Student Loans	84.268	3600	283,298,524		0
84.268			3650	156,222,946		0
84.268		Direct Loan	3700	43,874,995		0
84.268			3750	48,682,125		0
84.268		84.268	3760	10,465,266		0
84.268			3800	36,690,441		0
84.268		n/a	6990	59,123,220		0
<b>Federal Program 84.268 Total</b>				<b>638,357,517</b>		<b>0</b>
84.379	Teacher Education Assistance for College and High	84.379A	3600	113,911		0
84.379		TEACH	3650	258,421		0
84.379			3750	30,490		0
84.379		84.379	3760	32,511		0
84.379			3800	26,425		0
<b>Federal Program 84.379 Total</b>				<b>461,758</b>		<b>0</b>
84.408	Postsecondary Education Scholarships Vet Dependent	00380200	3800	2,487		0
<b>Federal Program 84.408 Total</b>				<b>2,487</b>		<b>0</b>
<b>Dept of Education Total</b>				<b>984,565,841</b>		<b>0</b>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Student Financial Assistance**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.264	Nurse Faculty Loan Program		3600	452,713	0	OL
93.264			3600	526,686	0	OL
93.264			3650	2,160,141	0	OL
93.264			3650	164,563	0	OL
<b>Federal Program 93.264 Total</b>				<b>3,304,103</b>	<b>0</b>	
93.342	Health Professions Student Loans, Including Primar		3600	13,220,141	0	OL
93.342			3600	527,485	0	OL
93.342			3650	290,759	0	OL
93.342			3650	2,532,569	0	OL
<b>Federal Program 93.342 Total</b>				<b>16,570,954</b>	<b>0</b>	
93.364	Nursing Student Loans		3600	(116,764)	0	OL
93.364			3600	2,632,850	0	OL
93.364			3650	735,838	0	OL
93.364			3650	522,520	0	OL
<b>Federal Program 93.364 Total</b>				<b>3,774,444</b>	<b>0</b>	
93.925	Scholarships for Health Professions Students From		3600	649,980	0	
<b>Federal Program 93.925 Total</b>				<b>649,980</b>	<b>0</b>	
<b>Dept of Health &amp; Human Services Total</b>				<b>24,299,481</b>	<b>0</b>	
<b>Student Financial Assistance Total</b>				<b>1,008,865,322</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**SNAP**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
10.551	Supplemental Nutrition Assistance Program		3000	2,204,205,681	0	NC
<b>Federal Program 10.551 Total</b>				<b>2,204,205,681</b>	<b>0</b>	
10.561	State Administrative Matching Grants for the Suppl		3000	123,004,363	10,014,047	
10.561			6990	731,168	0	
10.561		116-BFET-20	6990	84,964	0	PT
<b>Federal Program 10.561 Total</b>				<b>123,820,495</b>	<b>10,014,047</b>	
<b>Dept of Agriculture Total</b>				<b>2,328,026,176</b>	<b>10,014,047</b>	
<b>SNAP Total</b>				<b>2,328,026,176</b>	<b>10,014,047</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Food Distribution**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
10.565	Commodity Supplemental Food Program		3070	35,941	0	NC
10.565			4950	485,599	455,890	
<b>Federal Program 10.565 Total</b>				<b>521,540</b>	<b>455,890</b>	
10.568	Emergency Food Assistance Program (Administrative)		4950	3,732,306	3,167,444	
10.568	COVID-19 – Emergency Food Assistance Program (Administrative)		4950	4,706,896	1,573,487	
<b>Federal Program 10.568 Total</b>				<b>8,439,202</b>	<b>4,740,931</b>	
10.569	Emergency Food Assistance Program (Food Commodity)		4950	31,958,614	31,958,614	NC
10.569	COVID-19 – Emergency Food Assistance Program (Food Commodity)		4950	11,469,627	11,469,627	NC
<b>Federal Program 10.569 Total</b>				<b>43,428,241</b>	<b>43,428,241</b>	
<b>Dept of Agriculture Total</b>				<b>52,388,983</b>	<b>48,625,062</b>	
<b>Food Distribution Total</b>				<b>52,388,983</b>	<b>48,625,062</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Child Nutrition**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
10.553	School Breakfast Program		3500	5,979,279	5,979,279	
10.553	COVID-19 – School Breakfast Program		3500	1,493,717	1,493,717	
<b>Federal Program 10.553 Total</b>				<b>7,472,996</b>	<b>7,472,996</b>	
10.555	National School Lunch Program		3500	11,599,759	11,599,759	
10.555			3500	29,097,992	29,097,992	NC
10.555	COVID-19 – National School Lunch Program		3500	2,741,445	2,741,445	
<b>Federal Program 10.555 Total</b>				<b>43,439,196</b>	<b>43,439,196</b>	
10.556	Special Milk Program for Children		3500	28,604	28,604	
10.556	COVID-19 – Special Milk Program for Children		3500	3,300	3,300	
<b>Federal Program 10.556 Total</b>				<b>31,904</b>	<b>31,904</b>	
10.559	Summer Food Service Program for Children		3500	278,881,650	277,540,481	
10.559	COVID-19 – Summer Food Service Program for Children		3500	43,672,120	43,672,120	
<b>Federal Program 10.559 Total</b>				<b>322,553,770</b>	<b>321,212,601</b>	
10.579	Child Nutrition Discretionary Grants		3500	574,047	574,047	
<b>Federal Program 10.579 Total</b>				<b>574,047</b>	<b>574,047</b>	
<b>Dept of Agriculture Total</b>				<b>374,071,913</b>	<b>372,730,744</b>	
<b>Child Nutrition Total</b>				<b>374,071,913</b>	<b>372,730,744</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Fish and Wildlife**

**Dept of the Interior**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
15.605	Sport Fish Restoration Program		4770	6,004,330	0	
<b>Federal Program 15.605 Total</b>				<b>6,004,330</b>	<b>0</b>	
15.611	Wildlife Restoration and Basic Hunter Education	IDFGFY21412	3650	6,469	0	PT
15.611			4770	12,304,362	0	
<b>Federal Program 15.611 Total</b>				<b>12,310,831</b>	<b>0</b>	
15.626	Enhanced Hunter Education and Safety Program		4770	239,222	0	
<b>Federal Program 15.626 Total</b>				<b>239,222</b>	<b>0</b>	
<b>Dept of the Interior Total</b>				<b>18,554,383</b>	<b>0</b>	
<b>Fish and Wildlife Total</b>				<b>18,554,383</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Employment Service**

**Dept of Labor**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
17.207	Employment Service/Wagner-Peyser Funded Activities		5400	12,600,984		0
<b>Federal Program 17.207 Total</b>				<b>12,600,984</b>		<b>0</b>
17.801	Jobs for Veterans State Grants		5400	2,671,888		0
<b>Federal Program 17.801 Total</b>				<b>2,671,888</b>		<b>0</b>
17.804	Local Veterans' Employment Representative Program		5400	1,148,887		0
<b>Federal Program 17.804 Total</b>				<b>1,148,887</b>		<b>0</b>
<b>Dept of Labor Total</b>				<b>16,421,759</b>		<b>0</b>
<b>Employment Service Total</b>				<b>16,421,759</b>		<b>0</b>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**WIOA**

**Dept of Labor**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
17.258	WIOA Adult Program		5400	20,142,726	19,804,350	
17.258			6990	79,149	0	
17.258		18300	6990	156,553	0	PT
17.258		n/a	6990	107,051	0	PT
<b>Federal Program 17.258 Total</b>				<b>20,485,479</b>	<b>19,804,350</b>	
17.259	WIOA Youth Activities		5400	21,185,359	19,075,256	
17.259		19EDCCX393	6990	18,364	0	PT
17.259		20-EVCC-X-421-Youth	6990	39,427	0	PT
<b>Federal Program 17.259 Total</b>				<b>21,243,150</b>	<b>19,075,256</b>	
17.278	WIOA Dislocated Worker Formula Grants	WSW2007	3650	32,458	0	PT
17.278			5400	25,602,762	24,831,561	
<b>Federal Program 17.278 Total</b>				<b>25,635,220</b>	<b>24,831,561</b>	
<b>Dept of Labor Total</b>				<b>67,363,849</b>	<b>63,711,167</b>	
<b>WIOA Total</b>				<b>67,363,849</b>	<b>63,711,167</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Federal Transit**

**Dept of Transportation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
20.500	Federal Transit-Capital Investment Grants (Fixed G		4050	16,106		0
<b>Federal Program 20.500 Total</b>				<b>16,106</b>		<b>0</b>
20.507	Federal Transit-Formula Grants (Urbanized Area for		4050	45,301,569		0
20.507	COVID-19 – Federal Transit-Formula Grants (Urbanized Area for		4050	17,423,332		0
<b>Federal Program 20.507 Total</b>				<b>62,724,901</b>		<b>0</b>
20.525	State of Good Repair Grants Program		4050	6,621,139		0
<b>Federal Program 20.525 Total</b>				<b>6,621,139</b>		<b>0</b>
20.526	Bus and Bus Facilities Formula & Discretionary Pro		4050	4,505,973	4,505,973	
<b>Federal Program 20.526 Total</b>				<b>4,505,973</b>	<b>4,505,973</b>	
<b>Dept of Transportation Total</b>				<b>73,868,119</b>	<b>4,505,973</b>	
<b>Federal Transit Total</b>				<b>73,868,119</b>	<b>4,505,973</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Highway Safety**

**Dept of Transportation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
20.600	State and Community Highway Safety		2280	5,462,597	3,535,365	
20.600		n/a	3750	799	0	PT
<b>Federal Program 20.600 Total</b>				<b>5,463,396</b>	<b>3,535,365</b>	
20.616	National Priority Safety Programs		2280	4,079,664	4,079,664	
<b>Federal Program 20.616 Total</b>				<b>4,079,664</b>	<b>4,079,664</b>	
<b>Dept of Transportation Total</b>				<b>9,543,060</b>	<b>7,615,029</b>	
<b>Highway Safety Total</b>				<b>9,543,060</b>	<b>7,615,029</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

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**Special Education (IDEA)**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
84.027	Special Education Grants to States	84.027A	3500	225,567,209	222,481,742	
84.027		0327413	3760	270	0	PT
84.027		0327428	3760	42,834	0	PT
84.027		0327440	3760	205,699	0	PT
<b>Federal Program 84.027 Total</b>				<b>225,816,012</b>	<b>222,481,742</b>	
84.173	Special Education Preschool Grants	84.173A	3500	8,466,923	7,782,833	
<b>Federal Program 84.173 Total</b>				<b>8,466,923</b>	<b>7,782,833</b>	
<b>Dept of Education Total</b>				<b>234,282,935</b>	<b>230,264,575</b>	
<b>Special Education (IDEA) Total</b>				<b>234,282,935</b>	<b>230,264,575</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

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**TRIO**

**Dept of Education**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
84.042	TRIO Student Support Services	84.042A	3600	809,945		0
84.042			3650	1,175,499		0
84.042		84.042A	3750	278,384		0
84.042		84.042	3760	113,601		0
84.042		84.042A	3760	284,467		0
84.042		35752	6990	48,689		0 PT
84.042		TRIO	6990	7,742,294		0
<b>Federal Program 84.042 Total</b>				<b>10,452,879</b>		<b>0</b>
84.044	TRIO Talent Search	84.044A	3600	390,837		0
84.044		TRIO	6990	1,121,785		0
<b>Federal Program 84.044 Total</b>				<b>1,512,622</b>		<b>0</b>
84.047	TRIO Upward Bound	84.047A	3600	755,906		0
84.047		84.047M	3600	570,131		0
84.047			3650	2,162,254		0
84.047		84.047	3760	1,545,059		0
84.047		TRIO	6990	3,281,803		0
<b>Federal Program 84.047 Total</b>				<b>8,315,153</b>		<b>0</b>
84.066	TRIO Educational Opportunity Centers	84.066A	3750	304,309		0
84.066		TRIO	6990	338,464		0
<b>Federal Program 84.066 Total</b>				<b>642,773</b>		<b>0</b>
84.217	TRIO McNair Post-Baccalaureate Achievement	84.217A	3600	255,849		0
84.217			3650	202,087		0
84.217		P217A170013	3700	278,099		0
84.217		84.217A	3750	234,618		0
<b>Federal Program 84.217 Total</b>				<b>970,653</b>		<b>0</b>
<b>Dept of Education Total</b>				<b>21,894,080</b>		<b>0</b>
<b>TRIO Total</b>				<b>21,894,080</b>		<b>0</b>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**Aging**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.044	Special Programs for the Aging-Title III, Part B-G		3000	10,453,488	10,062,398	
93.044	COVID-19 – Special Programs for the Aging-Title III, Part B-G		3000	4,023,489	4,023,089	
<b>Federal Program 93.044 Total</b>				<b>14,476,977</b>	<b>14,085,487</b>	
93.045	Nutrition Services and Cares Act for Nutrition Ser		3000	10,845,850	10,845,850	
93.045	COVID-19 – Nutrition Services and Cares Act for Nutrition Ser		3000	11,823,517	11,823,517	
<b>Federal Program 93.045 Total</b>				<b>22,669,367</b>	<b>22,669,367</b>	
93.053	Nutrition Services Incentive Program		3000	1,631,497	1,631,497	
<b>Federal Program 93.053 Total</b>				<b>1,631,497</b>	<b>1,631,497</b>	
<b>Dept of Health &amp; Human Services Total</b>				<b>38,777,841</b>	<b>38,386,351</b>	
<b>Aging Total</b>				<b>38,777,841</b>	<b>38,386,351</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
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**CCDF**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.575	Child Care and Development Block Grant		3000	109,000,000	0	
93.575			3070	93,065,829	14,282,138	
93.575	COVID-19 – Child Care and Development Block Grant		3070	76,108,124	0	
93.575	Child Care and Development Block Grant		3600	32,004	0	
<b>Federal Program 93.575 Total</b>				<b>278,205,957</b>	<b>14,282,138</b>	
93.596	Child Care Mandatory and Matching Funds of the Chi		3070	49,367,031	0	
<b>Federal Program 93.596 Total</b>				<b>49,367,031</b>	<b>0</b>	
<b>Dept of Health &amp; Human Services Total</b>				<b>327,572,988</b>	<b>14,282,138</b>	
<b>CCDF Total</b>				<b>327,572,988</b>	<b>14,282,138</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**Medicaid**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.775	State Medicaid Fraud Control Units		1000	6,135,074		0
<b>Federal Program 93.775 Total</b>				<b>6,135,074</b>		<b>0</b>
93.777	State Survey and Certification of Health Care Prov		3000	17,792,980		0
93.777			3030	2,415,932		0
<b>Federal Program 93.777 Total</b>				<b>20,208,912</b>		<b>0</b>
93.778	Medical Assistance Program (Medicaid; Title XIX)		1050	358,586		0
93.778	Medical Assistance Program (Medicaid; Title XIX)		1070	4,501,072,707	15,615,513	
93.778	COVID-19 – Medical Assistance Program (Medicaid; Title XIX)		1070	3,199,245,661		0
93.778	Medical Assistance Program (Medicaid; Title XIX)		3000	3,308,150,284	52,595,810	
93.778	COVID-19 – Medical Assistance Program (Medicaid; Title XIX)		3000	186,661,197		0
93.778	Medical Assistance Program (Medicaid; Title XIX)		3070	1,512,372		0
93.778	COVID-19 – Medical Assistance Program (Medicaid; Title XIX)		3070	29,445,810		0
<b>Federal Program 93.778 Total</b>				<b>11,226,446,617</b>	<b>68,211,323</b>	
<b>Dept of Health &amp; Human Services Total</b>				<b>11,252,790,603</b>	<b>68,211,323</b>	
<b>Medicaid Total</b>				<b>11,252,790,603</b>	<b>68,211,323</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Forest Service Schools and Roads**

**Dept of Agriculture**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
10.665	Schools and Roads - Grants to States		0050	12,679,768		0
<b>Federal Program 10.665 Total</b>				<b>12,679,768</b>		<b>0</b>
<b>Dept of Agriculture Total</b>				<b>12,679,768</b>		<b>0</b>
<b>Forest Service Schools and Roads Total</b>				<b>12,679,768</b>		<b>0</b>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**Disability Insurance/SSI**

**Social Security Administration**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
96.001	Social Security Disability Insurance		3000	50,140,457		0
96.001			3150	361,111		0
<b>Federal Program 96.001 Total</b>				<b>50,501,568</b>		<b>0</b>
<b>Social Security Administration Total</b>				<b>50,501,568</b>		<b>0</b>
<b>Disability Insurance/SSI Total</b>				<b>50,501,568</b>		<b>0</b>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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**Highway Planning and Construction**

**Dept of Transportation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
20.205	Highway Planning and Construction (Federal-Aid Hig		0100	99,717,625	0	
20.205		UW666487	3600	58,312	0	PT
20.205		19437WSU	3650	(38)	0	PT
20.205			4050	510,570,303	221,473,410	
20.205	COVID-19 – Highway Planning and Construction (Federal-Aid Hig		4050	142,922,577	0	
<b>Federal Program 20.205 Total</b>				<b>753,268,779</b>	<b>221,473,410</b>	
20.219	Recreational Trails Program		4670	1,808,064	1,228,573	
<b>Federal Program 20.219 Total</b>				<b>1,808,064</b>	<b>1,228,573</b>	
20.224	Federal Lands Access Program		3700	129,724	0	
20.224			4050	762,729	0	
<b>Federal Program 20.224 Total</b>				<b>892,453</b>	<b>0</b>	
<b>Dept of Transportation Total</b>				<b>755,969,296</b>	<b>222,701,983</b>	
<b>Highway Planning and Construction Total</b>				<b>755,969,296</b>	<b>222,701,983</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Economic Development**

**Dept of Commerce**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
11.307	COVID-19 – Economic Adjustment Assistance		1030	3,607,069	1,757,831	
11.307	Economic Adjustment Assistance		3600	71,791	0	
11.307			3650	125,692	0	
<b>Federal Program 11.307 Total</b>				<b>3,804,552</b>	<b>1,757,831</b>	
<b>Dept of Commerce Total</b>				<b>3,804,552</b>	<b>1,757,831</b>	
<b>Economic Development Total</b>				<b>3,804,552</b>	<b>1,757,831</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.



**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Transit Services Programs**

**Dept of Transportation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
20.513	Enhanced Mobility of Seniors and Individuals With		4050	6,369,894	6,116,457	
<b>Federal Program 20.513 Total</b>				<b>6,369,894</b>	<b>6,116,457</b>	
<b>Dept of Transportation Total</b>				<b>6,369,894</b>	<b>6,116,457</b>	
<b>Transit Services Programs Total</b>				<b>6,369,894</b>	<b>6,116,457</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Head Start**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.600	Head Start		3070	161,099	0	
93.600		1	3600	47,044	0	PT
93.600		2019100011	3600	97,983	0	PT
93.600		2019100012A01	3600	286,366	0	PT
93.600		2019100018	3600	59,218	0	PT
93.600		2020100041	3600	1,805,971	0	PT
93.600			3700	1,987,020	0	
93.600	COVID-19 – Head Start		3700	18,513	0	
93.600	Head Start		6990	26,578,234	0	
93.600		09854	6990	2,854,561	0	PT
93.600		1550	6990	205,878	0	PT
93.600		EARLY HEAD START	6990	114,111	0	PT
93.600		HEADSTART	6990	560,097	0	PT
<b>Federal Program 93.600 Total</b>				<b>34,776,095</b>	<b>0</b>	
<b>Dept of Health &amp; Human Services Total</b>				<b>34,776,095</b>	<b>0</b>	
<b>Head Start Total</b>				<b>34,776,095</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Health Center Program**

**Dept of Health & Human Services**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
93.224	Health Center Program (Community Health Centers, M		3600	270,832	0	
93.224	COVID-19 – Health Center Program (Community Health Centers, M	5947CHS	3600	11,976	0	PT
93.224	Health Center Program (Community Health Centers, M	6635CHS	3600	29,006	0	PT
<b>Federal Program 93.224 Total</b>				<b>311,814</b>	<b>0</b>	
93.527	Grants for New and Expanded Services Under the 3965CHS Hea		3600	(411)	0	PT
93.527		5124CHS	3600	60,182	0	PT
<b>Federal Program 93.527 Total</b>				<b>59,771</b>	<b>0</b>	
<b>Dept of Health &amp; Human Services Total</b>				<b>371,585</b>	<b>0</b>	
<b>Health Center Program Total</b>				<b>371,585</b>	<b>0</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Clean Water State Revolving Fund**

**Environmental Protection Agency**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
66.458	Capitalization Grants for Clean Water State Revolv		4610	35,864,501	35,864,501	
<b>Federal Program 66.458 Total</b>				<b>35,864,501</b>	<b>35,864,501</b>	
<b>Environmental Protection Agency Total</b>				<b>35,864,501</b>	<b>35,864,501</b>	
<b>Clean Water State Revolving Fund Total</b>				<b>35,864,501</b>	<b>35,864,501</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in whole dollars)*

**Drinking Water State Revolving Fund**

**Environmental Protection Agency**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
66.468	Capitalization Grants for Drinking Water State Rev		3030	22,445,549	16,796,665	
<b>Federal Program 66.468 Total</b>				<b>22,445,549</b>	<b>16,796,665</b>	
<b>Environmental Protection Agency Total</b>				<b>22,445,549</b>	<b>16,796,665</b>	
<b>Drinking Water State Revolving Fund Total</b>				<b>22,445,549</b>	<b>16,796,665</b>	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
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(Expressed in whole dollars)*

**FMCSA**

**Dept of Transportation**

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>State Agency No.</b>	<b>Expenditure Amount</b>	<b>Expend Amts Passed Through to Subrecipients</b>	<b>See Note E</b>
20.218	Motor Carrier Safety Assistance		2250	7,274,947	70,604	
<b>Federal Program 20.218 Total</b>				<b>7,274,947</b>	<b>70,604</b>	
20.237	High Priority Grant Program		2250	46,317	0	
20.237			4050	370,919	0	
<b>Federal Program 20.237 Total</b>				<b>417,236</b>	<b>0</b>	
<b>Dept of Transportation Total</b>				<b>7,692,183</b>	<b>70,604</b>	
<b>FMCSA Total</b>				<b>7,692,183</b>	<b>70,604</b>	

<b>Total Federal Assistance</b>	<b>36,841,556,675</b>	<b>4,132,130,060</b>
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Footnotes:  
 NC - Expenditure amount noncash in nature  
 PT - Expenditure, Pass-through in nature (federal funds received through another nonfederal entity).

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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**State of Washington**  
**Notes to the Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021*

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**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Notes A – E**

*For the Fiscal Year Ended*  
*June 30, 2021*  
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Note A: **Purpose of the Schedule**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) is a supplementary schedule to the state's financial statements and is presented for purposes of additional analysis. The Schedule is required by the Office of Management and Budget (OMB) Uniform Guidance: Cost Principles, Audit, and Administrative Requirements for Federal Awards.

Note B: **Significant Accounting Policies**

Note B1: **Basis of Presentation** - The information in the Schedule is presented in accordance with the OMB Uniform Guidance.

- Federal Financial Assistance - Pursuant to the Single Audit Act of 1984 (Public Law 98-502); the Single Audit Act Amendments of 1996 (Public Law 104-156); and OMB Uniform Guidance federal financial assistance, hereafter referred to as federal assistance, is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, endowments, or direct appropriations. Accordingly, non-monetary or non-cash federal assistance, including electronic benefit cards, food commodities, immunization supplies and surplus property, is federal assistance and, therefore, is reported on the Schedule. Federal financial assistance does not include direct federal cash assistance to individuals or solicited contracts between the state and federal agencies for which the state provides tangible goods or services, acting as a vendor.
- Assistance Listings number (ALN) - OMB Uniform Guidance requires the Schedule to show total expenditures expended for each individual Federal program and the ALN or other identifying number when the ALN information is not available. For a cluster of programs, the Schedule also provides the total for the cluster.

Each program is assigned a five-digit program identification number (formerly known as CFDA number), the first two digits designating federal agency and the last three digits designating federal assistance program within the federal agency. The ALN of the program is reflected on the Schedule.

The 2021 Compliance Supplement Part 8 Appendix VII directs non-federal entities to separately identify and report COVID-19 related expenditures for both new and existing programs. The Schedule presents this information on a separate line by the ALN with "COVID-19" as a prefix to the program name.

For federal assistance programs and awards that have no assigned ALN, federal awards to nonfederal entities from the same agency made for the same purpose are combined and considered as one program. If the ALN three-digit extension is unknown, it shall be assigned a "U" followed by a two-digit number (e.g., U01, U02, etc.) under the respective federal agency. If the federal program is part of the Research and Development (R&D) cluster and the ALN extension is unknown, "RD" shall be used as the ALN extension.

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**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Notes A – E**

*For the Fiscal Year Ended  
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- Cluster of Programs - Closely related programs with different CFDA numbers that share common compliance requirements are to be considered a cluster of programs. The Schedule is structured to present the federal assistance information by cluster with the title of the cluster appearing in the heading. Programs not included within a designated cluster are presented under the title “Programs Not Clustered”. The only program clusters presented on the Schedule are those mandated by OMB in the most recent Compliance Supplement (August 2021). No expenditures of federal awards were recorded in the following mandated clusters in the report year:

Section 8 Project-Based  
Foster Grandparent/Senior Companion  
Foreign Food Aid Donation  
CDBG – Entitlement Grants  
Housing Voucher - 39  
Community Facilities Loans and Grants  
HOPE VI  
Hurricane Sandy Relief  
CDBG – Disaster Recovery Grants – Pub L. No. 113-2

Note B2: Reporting Entity - The state reporting entity is fully described in Note 1A to the state’s financial statements. The Schedule includes the activity of all federal assistance programs administered by the state during fiscal year ending June 30, 2021. All component units are excluded from the schedule and are subject to separate audits in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Note B3: Basis of Accounting - Federal assistance programs included in the Schedule are reported in the state’s financial statements as federal grants-in-aid in the General, Special Revenue, Debt Service, Capital Projects, and Permanent Funds and as other revenue in proprietary and fiduciary funds. The Schedule is presented using the same basis of accounting as that used in reporting the expenditures of the related funds in the state’s fund financial statements. The basis of accounting used for each fund type is described in Note 1C to the state’s financial statements.

- Indirect Costs - The Schedule includes a portion of costs associated with general activities which is allocated to federal assistance programs under negotiated formulas commonly referred to as indirect cost rates and federally approved cost allocation plans. The Schedule also includes the indirect costs of agencies that have elected to use the 10% de minimis rate in accordance with the Uniform Guidance. Reimbursement of state central service costs, achieved via the federally approved Statewide Central Services Cost Allocation Plan, is not reflected on the Schedule. A total of \$870,847 was recovered for state central service costs during fiscal year ending June 30, 2021.
- Matching Costs - The Schedule does not include matching expenditures with the exception specified in Note C to the Schedule.
- ALN 93.498 Provide Relief Fund (PRF) – The 2021 Compliance Supplement instructed non-federal entities to report expenditures and lost revenue for this program based on the PRF report that is required to be submitted to the U.S. Department of Health and Human Services reporting portal. In accordance with federal reporting requirement, for fiscal year 2021, the state reported program expenditures on the SEFA that pertained to payments received for the period from April 10, 2020 to June 30, 2020.

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**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Notes A – E**

*For the Fiscal Year Ended*  
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- Non-monetary Assistance - Non-monetary assistance programs included on the Schedule are identified with a non-cash expenditure (NC) including:
  1. The **Supplemental Nutrition Assistance Program (SNAP)** and the **Pandemic EBT Food Benefits (PEBT)** are administered through Electronic Benefit (EBT) cards that provide each eligible client with an authorized limit of service (purchase of specific food products). The dollar expenditures reported for the SNAP and PEBT consist of actual disbursements for client purchases of authorized food products via the EBT card program.
  2. The **Temporary Emergency Food Assistance and National School Lunch** programs are presented at the federally assigned value of product disbursed by the state.
  3. The **Surplus Property** program is presented at the fair market value of the property distributed. The fair market value was estimated to be 22.47% of the property's original acquisition value.
  4. The **Immunization Vaccine** programs are presented at the federally assigned value of product disbursed by the state.
- Pass-Through Federal Assistance (state as subrecipient included on the Schedule) - The majority of the state's federal assistance is received directly from federal awarding agencies (i.e., the state is the primary recipient). However, state agencies receive some federal assistance that is passed through a separate entity prior to receipt by the state (i.e., the state is a subrecipient). Although this type of assistance is included on the Schedule as "Pass-Through" (PT), it is not reported as federal revenue on the state's basic financial statements because it was not awarded directly from the federal government to the state. Additional detail related to this type of pass-through assistance is provided in Note F to the Schedule.
- Pass-Through Federal Assistance (state as subrecipient not included on the Schedule) – The state is a direct recipient of U.S. Department of Labor Workforce Investment Act (WIA) funds. These funds are reported on the Schedule. A large portion of these funds are passed through to non-state entities that, in certain instances, subaward the same funds back to the state. The dollar amount of these subawards, while included in the scope of the Single Audit, are not reported by the state on the Schedule since they are already part of the amount reported as direct assistance. Additional detail related to this type of pass-through assistance is provided in Note G to the Schedule.
- Federal transactions between state agencies - Some state agencies subaward federal assistance to other state agencies (i.e., a pass-through of funds by the primary recipient organization to a subrecipient state organization). In these situations, the federal revenue and expenditures are only reported once within the same fund in the state's financial statements in accordance with generally accepted accounting principles (GAAP) and reported once on the Schedule. This method avoids duplication and the overstatement of the aggregate level of federal assistance expended by the state. However, purchases of services between state organizations using federal monies are reported in the financial statements as expenditures or expenses by the purchasing organization and as revenues for services rendered by the providing organization.

**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Notes A – E**

*For the Fiscal Year Ended  
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Note B4: Presentation Comments

- Private company rebate activity is not included on the Schedule. Due to the significance of the resources provided by this rebate activity, the following amounts are disclosed for fiscal year ending June 30, 2021:

ALN 10.557 – WIC Special Supplemental Nutrition Program for Women, Infants,  
And Children..... \$30,016,874  
(Infant formula rebates provided by private companies)

ALN 93.917 – HIV Care Formula Grants..... \$20,664  
(Immunization rebates provided by private pharmaceutical  
companies)

- Expenditures for the federal share of bond repayment are not included on the Schedule. Due to the significance of the federal participation, the following amount is disclosed for the fiscal year ending June 30, 2021:

ALN 20.205 - Debt service costs for Referendum 49 bonds..... \$2,451,680

- During fiscal year 2021, the state received donated personal protective equipment (PPE) from federal or pass-through agencies for use in COVID-19 response activities, without any compliance requirements or assistance listing information from the donors. The fair market value of the donated PPE received by the state totaled \$7,139,244.
- State agency numbers used in the Schedule can be referenced, either by number (listed numerically) or name of the agency (listed alphabetically), in the Appendix.

Note C: **Unemployment Insurance (U.I.) Program, Employer (State) Financial Participation**

As required by U.S. Department of Labor letter dated December 24, 1997, the expenditures reported on the Schedule for Unemployment Insurance, CFDA Program No. 17.225, for fiscal year ending June 30, 2021 include:

State of Washington/Employer Funded.....	\$ 2,439,180,994
Federal Funds: non-COVID.....	340,930,543
COVID funding.....	9,358,524,975
Total	<u>\$ 12,138,636,512</u>

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**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Notes A – E**

*For the Fiscal Year Ended*  
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Note D:            **Non-monetary Assistance Inventory**

As described previously in Note B3, non-monetary assistance is reported in the Schedule. As of June 30, 2021, the state held the following inventories of non-monetary assistance:

Food Commodities (ALN 10.565 and 10.569) .....	\$ 6,837,803
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Note E:            **Other Footnote Designations**

The following footnote codes are utilized in the Schedule (far right column):

NC - Non-cash expenditures.

PT - Pass Through (expenditures of federal assistance received from a nonfederal entity).

OL - The balance of loans from previous years, for which the federal government imposes continuing compliance requirements.

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**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Note F: Supplemental Information for Pass-Through Funds**

*For the Fiscal Year Ended*  
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<b>Federal Catalog No.</b>	<b>State Agency No.</b>	<b>Pass-Through Entity Name</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
10.001	3600	US CIVILIAN RESEARCH & DEVELOPMENT FNDN	DAA919653831MOD1	20,616
10.001	3650	COTTON INCORPORATED	WSU003470	133,542
10.001	3650	OREGON STATE UNIVERSITY	R0783AA	74,261
10.025	3600	BOYCE THOMPSON INST FOR PLANT RSCH	1903AM01	41,198
10.025	3650	WEED SCIENCE SOCIETY OF AMERICA	139608001	5,689
10.164	3650	UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION	139503001	29,792
10.170	3600	UNIVERSITY OF CALIFORNIA DAVIS	A210144S002AM01	14,792
10.170	3650	GROW FOOD DBA VIVA FARMS	ORSO131825001	11,250
10.175	3650	THURSTON ECON DEV COUNCIL	AM190100XXXXG169	29,282
10.200	3650	MICHIGAN STATE UNIVERSITY	RC110588WSU	34,654
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A180916S066	-5
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A180916S082	7,188
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A20-1347-S061	23,045
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347A010	7,266
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S002	1,775
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S003	8,789
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S005	4,731
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S029	94,363
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S036	15,120
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S041	1,990
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S058	12,899
10.200	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201347S059	831
10.200	3650	UNIVERSITY OF IDAHO	AP4292870302	14,424
10.212	3650	EN SOLUCION INC	139060001	2,590
10.212	3650	INTEGRATED LIPID BIOFUELS	13772201	26,127
10.215	3650	MONTANA STATE UNIVERSITY	G10920W7504	35,044
10.215	3650	MONTANA STATE UNIVERSITY	G13020W7504	282



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10.215	3650	MONTANA STATE UNIVERSITY	G13220W7504	13,137
10.215	3650	MONTANA STATE UNIVERSITY	G13520W7507	3,592
10.215	3650	MONTANA STATE UNIVERSITY	G15121W7902	4,986
10.215	3650	MONTANA STATE UNIVERSITY	G16219W7506	9,766
10.215	3650	MONTANA STATE UNIVERSITY	G16920W7507	30,142
10.215	3650	MONTANA STATE UNIVERSITY	G23620W7504	681
10.215	3650	MONTANA STATE UNIVERSITY	G23920W7506	1,240
10.215	3650	MONTANA STATE UNIVERSITY	G26219W7502	15,629
10.215	3650	MONTANA STATE UNIVERSITY	G36921W8612	4,593
10.215	3650	UTAH STATE UNIVERSITY	200592444	1,597
10.215	3650	UTAH STATE UNIVERSITY	201207548	85,329
10.215	3650	UTAH STATE UNIVERSITY	201207564	71,300
10.215	3650	UTAH STATE UNIVERSITY	201207568	16,030
10.217	3650	UNIVERSITY OF MAINE	UMS1210	53,716
10.223	3650	COLUMBIA BASIN COLLEGE	201938422302121	10,108
10.303	3650	OREGON STATE UNIVERSITY	C0550AA	29,707
10.304	3650	UNIVERSITY OF CALIFORNIA DAVIS	20160379404	42,554
10.307	3650	MONTANA STATE UNIVERSITY	G19419W7408	35,711
10.307	3650	OREGON STATE UNIVERSITY	C0519AA	16,255
10.307	3650	ORGANIC FARMING RES FNDN	WSU004151	23,316
10.307	3650	UTAH STATE UNIVERSITY	202524666	21,767
10.309	3650	CORNELL UNIVERSITY	7961110753	222,020
10.309	3650	CORNELL UNIVERSITY	8198010924	19,142
10.309	3650	CORNELL UNIVERSITY	9288420623	26,188
10.309	3650	MICHIGAN STATE UNIVERSITY	RC104285L	11,986
10.309	3650	MICHIGAN STATE UNIVERSITY	RC106347WSU	68,616
10.309	3650	MICHIGAN STATE UNIVERSITY	RC111414F	71,809
10.309	3650	MICHIGAN STATE UNIVERSITY	RC111480WSU	77,681

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10.309	3650	MONTANA STATE UNIVERSITY	G18219W7553	321,109
10.309	3650	NORTH CAROLINA STATE UNIV	2016149806	65,660
10.309	3650	NORTH CAROLINA STATE UNIV	2017039813	208,540
10.309	3650	NORTH CAROLINA STATE UNIV	2020004208	153,950
10.309	3650	OREGON STATE UNIVERSITY	C0565BE	35,860
10.309	3650	PENNSYLVANIA STATE UNIVERSITY	S000224NIFA	89,381
10.309	3650	TEXAS A&M UNIVERSITY	M2002895	32,602
10.309	3650	UNIVERSITY OF ARIZONA	596338	34,199
10.309	3650	UNIVERSITY OF ARKANSAS	9144702	48,740
10.309	3650	UNIVERSITY OF CALIFORNIA - RIVERSIDE	S001381	541
10.309	3650	UNIVERSITY OF FLORIDA	UFDSP00012310	64,179
10.309	3650	UNIVERSITY OF GEORGIA	SUB00002411	18,661
10.309	3650	UNIVERSITY OF MINNESOTA	H007082509	20,613
10.310	3600	WESTERN UNIVERSITY OF HEALTH SCIENCES	20142DRESCHLERNIFAAM01	259,725
10.310	3650	BAYLOR COLLEGE OF MEDICINE	102117659	143,160
10.310	3650	BOISE STATE UNIVERSITY	8605PO137170	20,335
10.310	3650	DONALD DANFORTH PLANT SCI CTR	24012W	356
10.310	3650	FLORIDA A&M UNIVERSITY	C4996	89,866
10.310	3650	MICHIGAN STATE UNIVERSITY	RC104967WSU	216,341
10.310	3650	MICHIGAN STATE UNIVERSITY	RC111302G	32,556
10.310	3650	NORTH DAKOTA STATE UNIVERSITY	FAR0033162	5,469
10.310	3650	TEXAS A&M UNIVERSITY	M1903768	463
10.310	3650	TEXAS TECH UNIVERSITY	21A550	12,150
10.310	3650	UNIVERSITY OF CALIFORNIA DAVIS	20160356617	115,034
10.310	3650	UNIVERSITY OF CALIFORNIA DAVIS	A181616S001	10,595
10.310	3650	UNIVERSITY OF FLORIDA	UFDSP00011803	192,547
10.310	3650	UNIVERSITY OF IDAHO	BGK418SB001	21,542
10.310	3650	UNIVERSITY OF IDAHO	BJKQ80SB001	151,901

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10.310	3650	UNIVERSITY OF IDAHO	BKK664SB001	9,446
10.310	3650	UNIVERSITY OF ILLINOIS	09486017405	68,486
10.310	3650	UNIVERSITY OF ILLINOIS	09974217884	68,370
10.310	3650	UNIVERSITY OF MARYLAND	58864Z5057201	75,079
10.310	3650	UNIVERSITY OF TENNESSEE	9500092668	13,276
10.310	3650	UNIVERSITY OF TENNESSEE	9500092915	9,115
10.310	3650	UNIVERSITY OF WISCONSIN MADISON	0000000930	44,370
10.310	3800	University of Kentucky	3200003877-21-271 / 78	8,014
10.328	3650	OREGON STATE UNIVERSITY	C0537AB	23,804
10.331	3650	GROW FOOD DBA VIVA FARMS	127670002	51,551
10.500	3650	KANSAS STATE UNIVERSITY	A000983S067	1,704
10.500	3650	KANSAS STATE UNIVERSITY	A000983S082	11,444
10.500	3650	KANSAS STATE UNIVERSITY	A000983S091	4,019
10.500	3650	PURDUE UNIVERSITY	F9000067402012	44,895
10.500	3650	PURDUE UNIVERSITY	F9001573902009	38,591
10.561	6990	SBCTC BFET 50%	116-BFET-20	84,964
10.575	3650	GROW FOOD DBA VIVA FARMS	CNF2SIMPL20WA3	2,506
10.604	3650	ALASKA DEPARTMENT OF NATURAL RESOURCES	TASC201809	58,467
10.604	3650	CHAPMAN UNIVERSITY	500625SUB01	64,073
10.604	3650	WA RED RASPBERRY COMM	ORSO130051	105,982
10.664	3600	US ENDOWMENT FOR FORESTRY AND COMMUNITIE	E1972	100,000
10.674	3600	NATURE CONSERVANCY	WAS210106010WOODINNOVA	4,406
10.674	3650	WILSON ENGINEERING SERVICES	0100	11,133
10.680	3650	WASHINGTON STATE TREE FRUIT RESEARCH COMMISSION	1101	-1,342
10.684	3600	WORLD WILDLIFE FUND	HV72AM01	18,826
10.912	3650	WHATCOM CONSERVATION DISTRICT	137312001	16,574

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11.011	3600	FLORIDA INTERNATIONAL UNIVERSITY	80000948201UG000120AM0	37,589
11.011	3600	OPTO-KNOWLEDGE SYSTEMS INC	18120501	44,758
11.011	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	24185600AM01	26,283
11.012	3600	ALASKA OCEAN OBSERVING SYSTEM	H240063AM08	38,417
11.012	3600	ALASKA OCEAN OBSERVING SYSTEM	H249303AM01	397
11.012	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF150085AM04	57,328
11.012	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A190200S001P0693599AM0	39,440
11.020	3600	CLEANTECH ALLIANCE	A154950	20,870
11.020	3600	CLEANTECH ALLIANCE	UW661740	7,869
11.407	4770	Pacific Salmon Commission	SF-2018-SP-22	8,655
11.407	4770	Pacific Salmon Commission	SF-2019-SP-11	76,612
11.407	4770	Pacific Salmon Commission	SF-2019-SP-3A	12,335
11.407	4770	Pacific States Marine Fisheries Commission	20-37G	15,644
11.407	4770	Pacific States Marine Fisheries Commission	20-38G	1,027
11.407	4770	Pacific States Marine Fisheries Commission	PSMFC# 20-126G	71,212
11.407	4770	Pacific States Marine Fisheries Commission	PSMFC# 20-76G	87,720
11.407	4770	Pacific States Marine Fisheries Commission	PSMFC# 21-038G	46,316
11.417	3600	UNIVERSITY OF CALIFORNIA DAVIS	A211572S002	17,074
11.417	3600	UNIVERSITY OF CONNECTICUT	364379AM02	32,428
11.417	3600	UNIVERSITY OF CONNECTICUT	426131	2,562
11.417	3600	UNIVERSITY OF HAWAII	MA1310AM03	56,617
11.419	3600	INSTITUTE FOR APPLIED ECOLOGY	SUBK00014242	4,934
11.419	3800	Institute for Applied Ecology	SUBK00014242	24,156
11.427	3600	UNIVERSITY OF ALASKA FAIRBANKS	UA210120	7,585
11.431	3600	OREGON STATE UNIVERSITY	NA291ABAM07	29,675
11.431	3600	OREGON STATE UNIVERSITY	NA345AAAM01	47,407
11.432	3800	Pacific Shellfish Institute	NA17NMF4270221	6,735
11.437	3600	PACIFIC ST MARINE FISHERIES COMMISION	2027GAM01	2

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11.437	3600	PACIFIC ST MARINE FISHERIES COMMISION	2059GAM01	42,122
11.437	3600	PACIFIC ST MARINE FISHERIES COMMISION	21031G	179,909
11.437	4770	Pacific States Marine Fisheries Commission	20-43G	54,086
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC #20-13G	29,582
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC #20-55G	19,710
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC #21-28G	17,361
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 19-23G	370,011
11.437	4770	Pacific States Marine Fisheries Commission	PSMFC# 19-50G	16,636
11.438	3600	BERING SEA FISHERMEN'S ASSOCIATION	1707AREV01	30,442
11.439	4770	Pacific States Marine Fisheries Commission	20-60G	44,692
11.439	4770	Pacific States Marine Fisheries Commission	21-035G	479
11.441	4770	North Pacific Fishery Management Council	LIA2020-03	54,645
11.463	3650	SYNOPTIC DATA CORP	S20170118	324,958
11.472	3600	ALASKA DEPARTMENT OF FISH AND GAME	COOP18082AM05	56,039
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1705AM01	20,153
11.472	3600	NORTH PACIFIC RESEARCH BOARD	180502AM02	70,304
11.472	3600	NORTH PACIFIC RESEARCH BOARD	180603AM01	5,107
11.472	3600	NORTH PACIFIC RESEARCH BOARD	180801AM02	56,605
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1809AM01	16,092
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1810	1,809
11.472	3600	NORTH PACIFIC RESEARCH BOARD	181301	32,973
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1819AM01	15,451
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1901AM001	90,072
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1914A	15,190
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2003A	50,541
11.472	3600	NORTH PACIFIC RESEARCH BOARD	2006AAM01	10,214
11.472	3600	NORTH PACIFIC RESEARCH BOARD	A9202CAM01	104,735
11.472	3600	NORTH PACIFIC RESEARCH BOARD	A9302BAM01	1,645

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11.472	3600	NORTH PACIFIC RESEARCH BOARD	A9302C	85,591
11.472	3600	NORTH PACIFIC RESEARCH BOARD	A9400CAM01	2,898
11.472	3600	NORTH PACIFIC RESEARCH BOARD	L3601A	5,642
11.472	3600	PACIFIC ST MARINE FISHERIES COMMISION	2004G1AM02	1,656
11.472	3600	PACIFIC ST MARINE FISHERIES COMMISION	21146G	1,263
11.472	3600	PRINCE WILLIAM SOUND SCIENCE CENTER	177508AM04	215,671
11.472	3800	North Pacific Research Board	L37-02A / F7437-02	7,690
11.472	3800	North Pacific Research Board	L37-02B / F8437-02	50,007
11.472	4770	National Fish & Wildlife Foundation	0303.17.058776	111,336
11.472	4770	National Fish & Wildlife Foundation	Grant #0303.20/070437	41,557
11.473	4610	National Fish and Wildlife	0318.19.065579	97,023
11.473	4770	National Fish & Wildlife Foundation	Grant ID 0318.18.06258	29,604
11.478	3600	OREGON STATE UNIVERSITY	NA355AA	58,428
11.478	3600	SITKA TRIBE OF ALASKA	UW664469	2,086
11.478	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101508	5,433
11.619	3600	COLORADO STATE UNIVERSITY	G007451AM05	-202
11.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO440225MOD01	916
11.U01	4610	National Fish and Wildlife	0201.20.065209	42,555
11.U04	6990	NIIMBL	None	47,263
12.300	3600	BOSTON UNIVERSITY	4500002947N00014181206	164,608
12.300	3600	CARNEGIE MELLON UNIVERSITY	1140209405780AM03	-5,227
12.300	3600	CORNELL UNIVERSITY ITHACA	7855910699AM05	359,290
12.300	3600	CORNELL UNIVERSITY ITHACA	7855910699N00014161261	35,674
12.300	3600	GEORGE MASON UNIVERSITY	E2045223AM03	325,710
12.300	3600	MICRONESIAN ENVIRONMENTAL SERVICES	MES202001	87,229
12.300	3600	NEW YORK UNIVERSITY	F116803AM02	148,431
12.300	3600	OREGON STATE UNIVERSITY	N0357AA	1,544
12.300	3600	SMRU LTD	US01	10,346

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12.300	3600	TEXAS A&M UNIVERSITY	28M1702181AM05	85,661
12.300	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00009483AM03	29,842
12.300	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	123179032POS9002435AM0	425
12.300	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK2108AM01	13,754
12.300	3600	UNIVERSITY OF PENNSYLVANIA	572339AM01	20,211
12.300	3600	UNIVERSITY OF PENNSYLVANIA	572339AM03	83,335
12.300	3600	UNIVERSITY OF PENNSYLVANIA	572339AM04	14,666
12.300	3600	UNIVERSITY OF ROCHESTER	417318URFAOGR510770AM0	47,214
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	13294800AM04	44,663
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A10145413260300AM02	168,173
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A1014551323480001AM1	4,125
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A10146213296800AM02	118,730
12.300	3650	OREGON STATE UNIVERSITY	N0353AB	6,728
12.300	3650	PRINCETON UNIVERSITY	SUB0000233	82,961
12.300	3650	SMRU LLC	181106ONRSC03	4,433
12.300	3650	UNIVERSITY OF ST ANDREWS	18390	18,845
12.351	3600	UNIVERSITY OF PITTSBURGH	CNVA000583204139921AM0	61,644
12.351	3650	ECOHEALTH ALLIANCE	07137709652346	106,068
12.351	3650	INT'L LIVESTOCK RESEARCH INST	BS12NBODTR002DTR002001	58,901
12.351	3650	JOHNS HOPKINS UNIVERSITY	2004721972	107,704
12.355	3650	SPRINGSTAR INC	135993001	37,805
12.420	3600	BOSTON UNIVERSITY	4500002564	12,509
12.420	3600	CARNEGIE MELLON UNIVERSITY	1130213394810AM02	-7
12.420	3600	CASE WESTERN RESERVE UNIVERSITY	RES515707	9,842
12.420	3600	CORNELL UNIVERSITY ITHACA	8058311223AM02	194,946
12.420	3600	DENVER RESEARCH INSTITUTE	MSRCFY1601MOD02	302,644
12.420	3600	DUKE UNIVERSITY	201114	1,783
12.420	3600	FLORIDA STATE UNIVERSITY	R02087AM01	37,827

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12.420	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000977406AM02	260,704
12.420	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000984530AM02	90,416
12.420	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001039633	241,431
12.420	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001042755	40,166
12.420	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001042759	12,015
12.420	3600	H LEE MOFFITT CANCER CENTER & RSCH INST	12187179901G1AM05	345,603
12.420	3600	HOUSTON METHODIST RESEARCH INSTITUTE	AGMT00005361	76,165
12.420	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	025810314609AM04	49,061
12.420	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	025810314609AM05	34,666
12.420	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	025810314609AM06	167,354
12.420	3600	JOHNS HOPKINS UNIVERSITY	2004209935AM02	16,271
12.420	3600	JOHNS HOPKINS UNIVERSITY	2004338156AM02	16,741
12.420	3600	MAYO CLINIC	UWA281519PO67938703	9,405
12.420	3600	MICHIGAN STATE UNIVERSITY	RC108014UW	34,463
12.420	3600	MID-ATLANTIC EPILEPSY AND SLEEP CENTER	UW665710	19,645
12.420	3600	NORTHERN CALIFORNIA INST FOR RSCH & EDUC	CHAO202201AM03	11,668
12.420	3600	SANFORD BURNHAM PREBYS	6986713291UW	475,662
12.420	3600	SANFORD BURNHAM PREBYS	6986713291UWAM02	60,735
12.420	3600	SEATTLE CHILDREN'S HOSPITAL	12287SUB	95,406
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112GJ11SIBCR	2,454
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112GJ12SIBCR	6,720
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112LIUH1SIBCR	-2,238
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112LIUH2SIBCRM01	62,052
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112MIRANG1SIBCR	3,882
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112MIRANG2SIBCR	1,165



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12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ112UW1	108,022
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD13HALSNE4SIBCR	7,578
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD13HALSNE5SIBCRM01	42,737
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD13HB14SIBCR	1,736
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD13HB15SIBCRM01	9,112
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD13MD11SIBCRM01	9,103
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD13MD12SIBCR	45,513
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD13SHOFEJ1SIBCR	5,986
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	MD15HALSNE1SIBCR	9,046
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	ME14ME11SIBCRM02	8,332
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	ME14ME12SIBCR	27,883
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26LIN1SIBCR	7,829
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26PE21SIBCR	51,582
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26REINR1SIBCR	38,453
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26SHOFEJ1SIBCR	8,980
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PK17SHULEO1SIBCRM01	2,268
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	RM164REINR1SIBCR	9,707
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	RM164REINR2SIBCR	29,121
12.420	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	RM164SHOFEJ1SIBCR	11,976
12.420	3600	UNIVERSITY OF BRITISH COLUMBIA	27R49457	60,445
12.420	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1719GWB554AM02	96,413
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10566SCAM03	457,062
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11281SCAM01	4,182
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11281SCAM02	9,087
12.420	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	8455SCAM10	360,729
12.420	3600	UNIVERSITY OF FLORIDA	SUB00002109AM01	169,568
12.420	3600	UNIVERSITY OF ILLINOIS CHICAGO	1670400AM02	11,050
12.420	3600	UNIVERSITY OF IOWA	S0186401	15,674

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12.420	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00003006AM07	-1,221
12.420	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00003006AM09	9,598
12.420	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00014100AM01	29,371
12.420	3600	UNIVERSITY OF NOTRE DAME	203758UWAM01	101,954
12.420	3600	UNIVERSITY OF PITTSBURGH	CNVA0005666641361418AM	-1,000
12.431	3600	ARIZONA STATE UNIVERSITY	ASUB000000760	50,211
12.431	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000934254AM03	14,028
12.431	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S4661PO236230AM03	107,874
12.431	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S4661PO236230AM06	182,444
12.431	3600	SEMI FOUNDATION	FT1920193	252,965
12.431	3600	SEMI FOUNDATION	FT1921207	2,667
12.431	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	0518GWA899AM03	114,680
12.431	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK1810AM06	52,774
12.431	3600	UNIVERSITY OF VIRGINIA	GG12239PO2275765	28,112
12.431	3650	KANSAS STATE UNIVERSITY	A210235S001	39,435
12.431	3650	UNIVERSITY OF ILLINOIS	20150616603	48,715
12.550	3600	INSTITUTE OF INTERNATIONAL EDUCATION	0054UW25CHN280PO1MOD01	236,019
12.550	3600	INSTITUTE OF INTERNATIONAL EDUCATION	0054UW25SSC280PO2	23,000
12.550	3600	INSTITUTE OF INTERNATIONAL EDUCATION	BOR21UW21CHNPO1	18,509
12.630	3600	ADVANCED ROBOTICS FOR MANUFACTURING INST	ARMTEC1901F07AM01	297,859
12.750	3600	GENEVA FOUNDATION	S1115001	19,772
12.750	3600	HENRY M JACKSON FOUNDATION	4771PO960154AM02	32,613
12.750	3600	HENRY M JACKSON FOUNDATION	5414PO1001209	51,810
12.750	3650	UNIFORMED SERVICES UNIVERSITY HEALTH SCIENCE	HU00011810043	67,974
12.800	3600	DUKE UNIVERSITY	3130864MOD03	37,256
12.800	3600	FLORIDA STATE UNIVERSITY	R01868AM03	3,666

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12.800	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	89660Z8261201AMA	25,473
12.800	3600	UNIVERSITY OF NEW MEXICO	707824874JAM11	301,180
12.800	3650	UNIVERSITY OF UTAH	10049788WSU	115,344
12.910	3600	HARVARD UNIVERSITY	15328351100270027AM05	173,614
12.910	3600	PRINCETON UNIVERSITY	SUB0000246AM04	54,452
12.910	3600	PRINCETON UNIVERSITY	SUB0000301AM04	31,747
12.910	3600	TEXAS A&M UNIVERSITY	28M1802338AM05	137,892
12.910	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010533AM01	226,803
12.910	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	67102239AM06	393,611
12.910	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC81898AM02	268,401
12.RD	3600	AERODYNAMIC TECHNOLOGIES	AM01	33,815
12.RD	3600	AMERICAN BURN ASSOCIATION	UW666356	161,848
12.RD	3600	APPLIED RESEARCH ASSOCIATES INC	S200335004250UWA	42,774
12.RD	3600	APPLIED RESEARCH ASSOCIATES INC	S644003552UWMOD05	86,792
12.RD	3600	ARCTOS TECHNOLOGY SOLUTIONS LLC	1626431926C1MOD08	95,700
12.RD	3600	CARNEGIE MELLON UNIVERSITY	1900231SUB000PO413537	8,579
12.RD	3600	CFD RESEARCH CORPORATION	9451	22,230
12.RD	3600	CHARLES RIVER ANALYTICS INC	SC1712603AM02	14,077
12.RD	3600	CHARLES RIVER ANALYTICS INC	SC1712603MOD05	571,784
12.RD	3600	COALITION FOR NATIONAL TRAUMA RESEARCH	NTRAP1802W81XWH18C0179	95,699
12.RD	3600	CREARE INC	S729PO108018AM01	39,965
12.RD	3600	CREARE INC	SUBCONTRACT89236AM02	-2,468
12.RD	3600	CREONEX SYSTEMS INC	AM01	9,687
12.RD	3600	CREONEX SYSTEMS INC	UW686205	50,465
12.RD	3600	DUAL SENSE LLC	2020SLIMUWMOD01	31,181
12.RD	3600	ERC INC	PS150026MOD07	-7,814
12.RD	3600	FLASHBACK TECHNOLOGIES	UW668289	266,433

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12.RD	3600	GENERAL DYNAMICS LAND SYSTEMS	PO40301399TCT13W8231SL	71,168
12.RD	3600	GENERAL ELECTRIC COMPANY	401102349AM06REV07	66,914
12.RD	3600	GENERAL ELECTRIC COMPANY	PO401153010	14,942
12.RD	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD001331S5	7,404
12.RD	3600	HEAT LIGHT & SOUND RESEARCH INC	NC6833517C0553	325,894
12.RD	3600	HIGH REZ CONSULTING INC	APLUW0674MOD02	187,075
12.RD	3600	HONEYWELL INTERNATIONAL INC	PO3503381266E	31,572
12.RD	3600	INNOVITAL SYSTEMS INC	S09010WA01	3,239
12.RD	3600	J DAVID GLADSTONE INSTITUTES	SC00031AM1	195,164
12.RD	3600	JACOBS TECHNOLOGY	RAPTR1000000061MOD01	119,361
12.RD	3600	JETOPTERA	UW667838	46,839
12.RD	3600	JOHNS HOPKINS UNIVERSITY	163111	3,146
12.RD	3600	LEIDOS	P010234707MOD01	117,055
12.RD	3600	LOCKHEED MARTIN CORPORATION	PO4104498406AM05	12,419
12.RD	3600	MARTIN DEFENSE GROUP LLC	SCN09654MOD0003	78,934
12.RD	3600	MARTIN DEFENSE GROUP LLC	SCN09654MOD0004	1,106,091
12.RD	3600	MARTIN DEFENSE GROUP LLC	SCN09662REF00K48612000	40,519
12.RD	3600	MATERIALS SCIENCES LLC	PO15945SD50MOD01	76,624
12.RD	3600	METRON	6H23APLUWMOD01	146,771
12.RD	3600	NAMATAD	UW663508	8,495
12.RD	3600	NAMATAD	UW667155	9,888
12.RD	3600	NANOTOK LLC	UW662852	9,418
12.RD	3600	NANOTOK LLC	UW667434	18,667
12.RD	3600	PALO ALTO VETERANS INSTITUTE FOR RESEARC	ROS002904AM04POROS0751	82,611
12.RD	3600	RAYTHEON BBN	90144MOD06	97,601
12.RD	3600	RE2 ROBOTICS INC	1940000022008STARUWM03	203,953
12.RD	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE26UW1	197,049

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12.RD	3600	SRI INTERNATIONAL INC	PO44989MOD08	338,434
12.RD	3600	SRI INTERNATIONAL INC	PO47109MOD02	347,469
12.RD	3600	STOTTLER HENKE ASSOCIATION INC	CKM2STOTTLERHENKEUNIVW	76,792
12.RD	3600	SYSTEM & TECHNOLOGY RESEARCH LLC	20190038MOD02	144,233
12.RD	3600	SYSTEM & TECHNOLOGY RESEARCH LLC	20200043	272,258
12.RD	3600	SYSTEM & TECHNOLOGY RESEARCH LLC	20210023	1,397
12.RD	3600	TUNOPTIX INC	UW664564	32,059
12.RD	3600	ULL TECHNOLOGIES	STTRN19AT023	687
12.RD	3600	UNIVERSIDAD DE CONCEPCION	N000141712606	24,191
12.RD	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11154SCW81XWH1590001AM	44,953
12.RD	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO (UCSF)	CS20180009AM01	34,019
12.RD	3600	UNIVERSITY OF HAWAII	MA1400AM02	1,480
12.RD	3600	UNIVERSITY OF HAWAII	MA1400AM034	39,492
12.RD	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	69333Z8133201AMC	32,765
12.RD	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	82887Z9434204	80,472
12.RD	3600	UNIVERSITY OF NOTRE DAME	208150UWAM01	14,068
12.RD	3600	UNIVERSITY OF VIRGINIA	GG12204PO2171664AM04	51,054
12.RD	3600	VCOM3D INC	AFTTSENHUW002AM01	169,419
12.RD	3600	WIBOTIC INC	UW669254	72,740
12.RD	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101493WHOIPROJECT1020	969,441
12.RD	3600	WYLE LABORATORIES	TXS0149769CHG02	62,844
12.RD	3650	BLACK & VEATCH SPECIAL PROJ CO	190305042959	99,273
12.RD	3650	CARY INSTITUTE OF ECOSYSTEM STUDIES	3323200201841	22,933
12.RD	3650	CFD RESEARCH CORPORATION	9436	23,405
12.RD	3650	EXMAT INC	EXMATWSU20P0004	64,103
12.RD	3650	MANTECH	MASI0SUB0007112	14,531
12.RD	3650	MISSISSIPPI STATE UNIVERSITY	19400036135601	259,451

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12.RD	3650	MISSISSIPPI STATE UNIVERSITY	19400036138901	2,056,137
12.RD	3650	OPTO-KNOWLEDGE SYSTEMS	17082801	-39,509
12.RD	3650	OPTO-KNOWLEDGE SYSTEMS	19050301	17,824
12.RD	3650	PACIFIC STATES MARINE FISHERIE	20127P	137,293
12.RD	3650	PACIFIC STATES MARINE FISHERIE	21177P	30,204
12.RD	3650	SIEMENS	20802	95,987
12.RD	3650	TUFTS UNIVERSITY	ARM212WSU	36,326
14.239	1480	City of Bellingham	PBEL2021	88,304
15.036	4770	Columbia River Inter-Tribal Fish Commission	V21-12	5,755
15.156	3600	NOOKSACK INDIAN TRIBE	1904068AM02	-69,998
15.156	3600	SUQUAMISH TRIBE	AM02	656
15.156	3600	SWINOMISH INDIAN TRIBAL COMMUNITY	UW807433	25,541
15.232	3650	UNIVERSITY OF IDAHO	NS1387SB651835	16,172
15.423	3600	NORTH PACIFIC RESEARCH BOARD	A9499	45,379
15.423	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF180058	45,714
15.423	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF180058AM01P0521289	21,389
15.507	3750	Columbia Irrigation District	14839	1,283
15.608	4770	The Xerces Society, Inc	F19AC00507	4,288
15.608	4770	Trout Unlimited Inc	80-888-3052	80
15.611	3650	IDAHO DEPARTMENT OF FISH AND GAME	IDFGFY21412	6,469
15.615	3600	MARIANA ISLANDS DEPT OF LANDS & NAT RES	438401OC	17,416
15.615	3600	MARIANA ISLANDS DEPT OF LANDS & NAT RES	697144OMAM01	4,799
15.615	3600	MARIANA ISLANDS DEPT OF LANDS & NAT RES	697144OMAM02	259,665
15.623	4770	Ducks Unlimited, Inc	WA-331-6	3,360
15.633	4770	Wild Fish Conservancy	Agreement	61,722
15.634	3650	AZ GAME & FISH PHOENIX	9554	4,957
15.634	4770	Idaho Dept of Fish and Game	IDFW-FY18-198	29,873
15.634	4770	Western Assoc of Fish & Wildlife Agencies	Agreement	193

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15.654	3760	WA Dept of Fish and Wildlife	19-11899	33,839
15.657	3760	WA Dept of Fish and Wildlife	21-16682	10,470
15.663	3650	NAT'L FISH & WILDLIFE FNDN	080918060960	10,308
15.812	3600	CLEMSON UNIVERSITY	21622162013352	363
15.RD	3600	NOOKSACK INDIAN TRIBE	1905094AM02	-1
15.RD	3600	NOOKSACK INDIAN TRIBE	UW667015	9,270
15.RD	3600	TULALIP TRIBES	AM04	35,364
15.U11	3650	COLVILLE CONFEDERATED TRIBES	128572011	6,381
16.560	3600	KING COUNTY	UW664160	-14,854
16.609	6990	King County	88125	115,797
16.726	3650	NAT'L 4-H CNCL	2019MUF0002	74,941
16.838	3650	N MASON REGIONAL FIRE AUTH	WSU004115	40,590
17.258	6990	SkillSource	n/a	107,051
17.258	6990	WA Employ Security Dept	18300	156,553
17.259	6990	WFS-WIOA Youth	19EDCCX393	18,364
17.259	6990	Workforce Snohomish	20-EVCC-X-421-Youth	39,427
17.268	3030	California Rural Indian Health Board	GVS26315	3,211
17.268	3650	SOUTHERN UTAH UNIVERSITY	F1700012910441004	260,478
17.268	6990	AJAC	HG343522060A53	9,257
17.268	6990	Everett CC	48401/696	85,041
17.268	6990	Workforce Central	PY20-ECSA-CPTC	63,685
17.277	6990	PACMTN WDC	88150	40,000
17.278	3650	SOUTHWEST WASHINGTON WORKFORCE DEVELOPMENT COUNCIL	WSW2007	32,458
17.282	6990	Amer Assoc of Comm Coll	68450	70,440
19.010	3600	INSTITUTE OF INTERNATIONAL EDUCATION	3000203738AM01	20,689
19.033	3650	NATIONAL ACADEMIES SCIENCES ENGINEERING & MEDICINE	2000012172	50,263
20.200	3600	KITTELSON AND ASSOCIATES INC	23506AM01	68,904

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20.200	3650	MINNESOTA DEPARTMENT OF TRANSPORTATION	1033080	54,368
20.205	3600	CITY OF SEATTLE	UW666487	58,312
20.205	3650	WEST VIRGINIA UNIVERSITY	19437WSU	-38
20.600	3750	WA Assoc of Sheriffs and Police Chiefs	n/a	799
20.701	3600	ARIZONA STATE UNIVERSITY	17175AM05PTE69A3551747	68,835
20.701	3600	FLORIDA INTERNATIONAL UNIVERSITY	000402AM03	27,855
20.701	3600	FLORIDA INTERNATIONAL UNIVERSITY	80000734904UG	75,458
20.701	3600	FLORIDA INTERNATIONAL UNIVERSITY	80000734904UG800094800	24,774
20.701	3600	NEW YORK UNIVERSITY	F874103	30,712
20.701	3600	NEW YORK UNIVERSITY	F874103AM01	141,297
20.701	3600	NEW YORK UNIVERSITY	F874103AM04	78,463
20.701	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF18005469A3551747129	331,299
20.701	3650	UNIVERSITY OF NORTH CAROLINA CHARLOTTE	2016068804WSU	78,868
20.701	3700	Montana State University	G227-17-W6460	268,251
20.RD	3600	APPLIED PAVEMENT TECHNOLOGY INC	TOPR715001RR07UW	13,428
20.RD	3600	APPLIED PAVEMENT TECHNOLOGY INC	TOPR715001RR07UWMOD1	14,083
20.RD	3600	BATTELLE MEMORIAL INSTITUTE	743493POUS001000074349	94,447
20.RD	3600	BATTELLE MEMORIAL INSTITUTE	POUS0010000778774	55,126
20.RD	3600	BATTELLE MEMORIAL INSTITUTE	POUS0010000778774MOD3	67,185
20.RD	3600	CAMBRIDGE SYSTEMATICS INC	160140019MOD04	104,717
20.RD	3600	CAMBRIDGE SYSTEMATICS INC	160140MOD02	24,037
20.RD	3600	CAMBRIDGE SYSTEMATICS INC	160140TASKORDER029MOD0	27,276
20.RD	3600	ENO CENTER FOR TRANSPORTATION	AM1	8,637
20.RD	3600	STREETLIGHT DATA INC	UW662130	30,339
21.019	1480	Department of Commerce	S21-32401-001	82,379
21.019	1480	Pierce County	SC107712	591,649
21.019	3600	PIERCE COUNTY	UW667275	498,026



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21.019	3600	STATE OF OREGON	ODE13815	339,975
21.019	3600	STATE OF OREGON	ODE13815AM01	26,524
21.019	3700	Spokane County	US Dept Treas - Corona	315,000
21.019	6990	DCYF	FALLCOVID19	14,597
21.019	6990	Pierce County	SC-107791	709,198
21.019	6990	Puget Sound ESD	11267	7,871
43.001	3600	BROWN UNIVERSITY	00001738	20,606
43.001	3600	CARNEGIE MELLON UNIVERSITY	1110244437124	35,617
43.001	3600	COLUMBIA UNIVERSITY	1GG013115PTENNX17AH04G	18,715
43.001	3600	COLUMBIA UNIVERSITY	3GG015418AM02	16,210
43.001	3600	FARALLON INSTITUTE	2020241UWAM03	64,385
43.001	3600	GEORGE WASHINGTON UNIVERSITY	21M14	7,902
43.001	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD103070G2PO5067106AM	7,748
43.001	3600	JET PROPULSION LABORATORY	1570694MOD01	7
43.001	3600	JET PROPULSION LABORATORY	1572151MOD02	13,463
43.001	3600	JET PROPULSION LABORATORY	1616846MOD01	16,680
43.001	3600	JET PROPULSION LABORATORY	1638405	91,589
43.001	3600	JET PROPULSION LABORATORY	1653763	52,101
43.001	3600	JET PROPULSION LABORATORY	1654687	70,479
43.001	3600	JET PROPULSION LABORATORY	1656043	35,410
43.001	3600	JET PROPULSION LABORATORY	1662380	9,997
43.001	3600	JET PROPULSION LABORATORY (JPL)	1641292MOD01	59,381
43.001	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	102546AM05	28,242
43.001	3600	MONTANA STATE UNIVERSITY	G23819W7767AM02	14,206
43.001	3600	MONTANA STATE UNIVERSITY	G23819W7767AM1	136,674
43.001	3600	NORTHERN ARIZONA UNIVERSITY	100436602	3,983
43.001	3600	NORTHWEST RESEARCH ASSOCIATES INC	NWRA17S191MOD002	48,691
43.001	3600	SAN DIEGO STATE UNIVERSITY RSCH FNDN	SA0000681AM01	108,382

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43.001	3600	SETI INSTITUTE	SC3365MOD01	275,669
43.001	3600	SETI INSTITUTE	SC3365MOD04	35,465
43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	G0516085XAM04	5,965
43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	GO021079B	5,854
43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	GO122080X	1,676
43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	GO819090AAM02	5,840
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR13882001AAM03	-1
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR13901005AAM05	50,690
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR14325001AAM03	16,115
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR15013004AAM02	3,068
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR15016002AAM05	2,815
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR15042003AMOD02	12,123
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR15046001AAM04	17,651
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR15800002AAM04	89,074
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTAR16122002A	1,684
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO1205501AAM12	260,026
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO13659002AAM02	-881
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO14610001AAM02	71,290
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO14675009AAM01	3,320
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO14784003AAM001	2,664
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO14786001AAM02	61,790
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO14799002AAM02	4,940
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO14912002A	3,953
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15154001AAM04	-39,165
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15216004AAM01	17,054
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15275009AAM05	21,641
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15293008AAM06	33,224
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15302004AAM01	13,039

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43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15314003AAM04	-1,461
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15656003AAM02	154,264
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15703001A	7,253
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15875004A	36,204
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15877005AAM01	14,485
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15880011AAM01	5,409
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15891005AAM01	3,520
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15912006A	10,208
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15932005A	5,181
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO15988002AAM02	18,954
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16046001A	901
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTGO16191016A	379
43.001	3600	SPACE TELESCOPE SCIENCE INSTITUTE	HSTHF251471001A	89,793
43.001	3600	UNIVERSITIES SPACE RESEARCH ASSOCIATION	SOF070149MOD03	34,320
43.001	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	SUBAWD000410MOD02	13,907
43.001	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	SUBAWD002083MOD01	17,400
43.001	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF200140AM01	17,578
43.001	3600	UNIVERSITY OF ARIZONA	555432AM02	2,621
43.001	3600	UNIVERSITY OF CALIFORNIA IRVINE	20173519AM04	8,721
43.001	3600	UNIVERSITY OF CALIFORNIA RIVERSIDE	S001254	24,756
43.001	3600	UNIVERSITY OF COLORADO	1558798	16,401
43.001	3600	UNIVERSITY OF COLORADO	1559326AM03	10,655
43.001	3600	UNIVERSITY OF HAWAII	MA1314AM06	55,090
43.001	3600	UNIVERSITY OF HOUSTON	R200020AM01	91,609
43.001	3600	UNIVERSITY OF MARYLAND BALTIMORE COUNTY	NASA000402AM04	74,784
43.001	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5111900AM03	150,832

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43.001	3600	UNIVERSITY OF OREGON	239700AAM03	199,618
43.001	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	23156800AM05	105,836
43.001	3600	YALE UNIVERSITY	GK000716CON80000156AM0	81,732
43.001	3650	CA INST OF TECH JET PROP LAB	1654824	65,051
43.001	3650	SPACE TELESCOPE SCI INST	HSTGO16188001A	6,627
43.001	3750	University of Oregon	239700B	59,489
43.001	3800	Arizona State University	15-710	175,450
43.001	3800	Jet Propulsion Laboratory	1546127	59,170
43.001	3800	Jet Propulsion Laboratory	1652930	19,060
43.001	3800	University of Toledo	F-2019-53	1,337
43.001	6990	Univ of Wash.	44621	17,147
43.007	3650	UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION	320000109817193	77,298
43.008	6990	UW	1T61	3,497
43.RD	3600	CONVERGENT MANUFACTURING TECHNOLOGIES US	PO20170038	24,950
43.RD	3600	JET PROPULSION LABORATORY	1303809MOD33	110,371
43.RD	3600	JET PROPULSION LABORATORY	1318945MOD29	129,665
43.RD	3600	JET PROPULSION LABORATORY	1542830MOD11	59,176
43.RD	3600	JET PROPULSION LABORATORY	1587724MOD04	20,250
43.RD	3600	JET PROPULSION LABORATORY	1634821MOD03	380,328
43.RD	3600	JET PROPULSION LABORATORY	1655697MOD03	204,034
43.RD	3600	JET PROPULSION LABORATORY	1657522MOD01	64,714
43.RD	3600	JET PROPULSION LABORATORY	SC1526158MOD09	129,797
43.RD	3600	JOHNS HOPKINS UNIVERSITY	2003281677AM05	38,082
43.RD	3600	JOHNS HOPKINS UNIVERSITY	200337076AM09	88,369
43.RD	3600	KALSCOTT ENGINEERING INC	UW665850	140,032
43.RD	3600	M4 ENGINEERING	UW663895	84,665
43.RD	3600	MALIN SPACE SCIENCE SYSTEMS INC	120233MOD09	68,037

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43.RD	3600	MALIN SPACE SCIENCE SYSTEMS INC	120233MOD10	61,250
43.RD	3600	MALIN SPACE SCIENCE SYSTEMS INC	120233MOD11	161,488
43.RD	3600	SCIENTIFIC SYSTEMS COMPANY INC	SC1652001MOD03	9,149
43.RD	3600	STANFORD UNIVERSITY	PY2426122727DAM34	20,007
43.RD	3600	ZIN TECHNOLOGIES INC	SPACEDOC22017001	9,885
45.024	3760	Cornell University	C16R12454CR16R	12,903
45.024	6990	Wa St Arts Commission	n/a	1,557
45.312	3600	CITY OF SEATTLE	A158437	1,397
45.313	3600	KENT STATE UNIVERSITY	414313UW	53,421
47.041	3600	AMERICAN SOCIETY FOR ENGINEERING EDUC	2019UWALGBTQMOD02	13,748
47.041	3600	BOSTON UNIVERSITY	4500003860	5,505
47.041	3600	CORNELL UNIVERSITY ITHACA	8901911283AM01	77,770
47.041	3600	EASYXAFS LLC	A145636AM02	45,229
47.041	3600	ELECTRONIC BIOSCIENCES INC	194NS1C5308	25,589
47.041	3600	ENTOX SCIENCES INC	A138575UWSBIRSTTR	52,573
47.041	3600	HARVARD UNIVERSITY	1240505104118AM06	75,957
47.041	3600	HEALTH TECHNOLOGY INNOVATIONS INC	UW666579	10,000
47.041	3600	NONLINEAR MATERIALS CORP	UW684085	26,502
47.041	3600	OREGON STATE UNIVERSITY	S1738AAAM05	-89
47.041	3600	OREGON STATE UNIVERSITY	S2239AA	28,069
47.041	3600	PURDUE UNIVERSITY	10001604005AM01	20,716
47.041	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00009375AM08	179,405
47.041	3600	UNIVERSITY OF CALIFORNIA DAVIS	A160090S001AM02	10,144
47.041	3600	UNIVERSITY OF CALIFORNIA DAVIS	A211719S002	13,458
47.041	3600	UNIVERSITY OF COLORADO	1556900AM01	30,641
47.041	3600	UNIVERSITY OF ILLINOIS URBANA-CHAMPAIGN	07796615619AM05	2,457
47.041	3600	UNIVERSITY OF MINNESOTA	A006111201AM01	32,138
47.041	3600	UNIVERSITY OF MINNESOTA	A006827801	9,474

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47.041	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	105584141AM01	7,229
47.041	3600	UNIVERSITY OF TEXAS AUSTIN	UTA15000857AM05	503
47.041	3600	UNIVERSITY OF TEXAS AUSTIN	UTA20000984	36,458
47.041	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	47985219124A	152,936
47.041	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	47985219124MOD01	145,495
47.041	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19255MOD1	-13,464
47.041	3600	YALE UNIVERSITY	GR105156CON80001606AM0	112,875
47.041	3650	CARNEGIE MELLON UNIVERSITY	1123272-390398	15,340
47.041	3650	ECO-SHELTER LLC	135456001	36,792
47.041	3650	NORTH DAKOTA STATE UNIVERSITY	FAR0032826	36,023
47.041	3650	SYRACUSE UNIVERSITY	2825004301S26	1,297
47.041	3650	UNIVERSITY OF KANSAS	FY2020018	104,687
47.041	3750	Colorado Mesa University	S2746.1-01-00	7,355
47.049	3600	ASTROPHYSICAL RESEARCH CONSORTIUM	SSP546	81,356
47.049	3600	ASTROPHYSICAL RESEARCH CONSORTIUM	SSP547	135,082
47.049	3600	AURA INC	N51948CAM06	3,350,432
47.049	3600	EMORY UNIVERSITY	A217002	49,484
47.049	3600	EMORY UNIVERSITY	A374567AM03	91,917
47.049	3600	MICHIGAN STATE UNIVERSITY	RC104177UWAM07	80,684
47.049	3600	RSCH CORP FOR SCIENCE ADVANCEMENT PRGM	27473	29,517
47.049	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010006AM01	38,153
47.049	3600	UNIVERSITY OF CALIFORNIA BERKELEY	0009390AM04	110,476
47.049	3600	UNIVERSITY OF WISCONSIN MILWAUKEE	203405468AM04	145,657
47.049	3750	Mathematical Assoc of America	3-8-710-890	151
47.049	6990	OC	1T9A	5,250
47.050	3600	ARIZONA STATE UNIVERSITY	14386AM05PRNSF1338810	3,817
47.050	3600	ARIZONA STATE UNIVERSITY	18352AM04	197,419
47.050	3600	BERMUDA INSTITUTE OF OCEAN SCIENCES	182708UW	46,936

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47.050	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S431504AM01	183,872
47.050	3600	CORNELL UNIVERSITY ITHACA	8057210906MOD02	10,257
47.050	3600	GEORGE MASON UNIVERSITY	E2048691AM02	44,247
47.050	3600	INCORPORATED RSCH INST FOR SEISMOLOGY	SU19100107UWA02TO103	28,160
47.050	3600	INCORPORATED RSCH INST FOR SEISMOLOGY	SU19100107UWATO102	10,316
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	PO2011050	1,058,442
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	PO2011050MOD01	79,242
47.050	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	PO2110546	14,152
47.050	3600	OREGON STATE UNIVERSITY	S2119AAAM02	71,903
47.050	3600	PENNSYLVANIA STATE UNIVERSITY	5857UWNSF8934AM03	61,246
47.050	3600	PRINCETON UNIVERSITY	SUB0000005AM12	249,768
47.050	3600	PRINCETON UNIVERSITY	SUB0000386	558,194
47.050	3600	PRINCETON UNIVERSITY	SUB0000386AM01	154,975
47.050	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	1247	957
47.050	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	SUBAWD000130MOD03	5,337
47.050	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	SUBAWD001365MODM01	63,881
47.050	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	KR704187AM001	21,713
47.050	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	KR704367	14,751
47.050	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK1641AM05	8,523
47.050	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK2137	20,679
47.050	3600	UNIVERSITY OF OKLAHOMA	202111	62,744
47.050	3600	UNIVERSITY OF WISCONSIN MADISON	0000000506AM02	41,759
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403	5,911,561
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AM08	3,637,433
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AM10	16,509

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47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AMEND10	57,628
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AMEND3	326,595
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101403AMEND8	21,982
47.050	3650	AUSTIN COMMUNITY COLLEGE	WSU003361	6,958
47.050	3650	COLUMBIA UNIVERSITY	GG1259002	19,674
47.050	3650	EVERETT COMMUNITY COLLEGE	18190166SUB	8,238
47.050	3650	PRINCETON UNIVERSITY	SUB0000169	5,646
47.050	3650	UNIVERSITY OF IDAHO	IBK289SB001	111,813
47.050	3750	UNAVCO, Inc	S18-EAR1724794-S1	115,856
47.050	3750	University of the Pacific	202920-03	448
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF2020UW06	64,125
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF2020UW53	62,168
47.070	3600	FLORIDA INTERNATIONAL UNIVERSITY	80001038101UG000431AM0	5,868
47.070	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S4742PO263721AM02	27,226
47.070	3600	MICHIGAN STATE UNIVERSITY	RC107561UW	-62
47.070	3600	MICHIGAN TECHNOLOGICAL UNIV	2006061Z2AM01	4,394
47.070	3600	PRINCETON UNIVERSITY	SUB0000281AM03	96,318
47.070	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	1121PO1215394MOD01	14,247
47.070	3600	UNIVERSITY OF CALIFORNIA BERKELEY	000105501564351	44,786
47.070	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	121847117MPINVS9002372	191,248
47.070	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	91563015AM03	54,390
47.070	3600	UNIVERSITY OF COLORADO	1556133AM04	131,869
47.070	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	27338Z4338001AME	34,367
47.070	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	56086Z4322002AMB	16,695
47.070	3600	UNIVERSITY OF MINNESOTA	A006581303AM002	84,232
47.070	3600	UNIVERSITY OF TEXAS AUSTIN	UTA20000943AM01	232,962
47.070	3600	UNIVERSITY OF VIRGINIA	GA11473PO2271430	8,751
47.070	3600	UNIVERSITY OF WISCONSIN MILWAUKEE	203405442AM01	70,741



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47.070	3600	UTAH STATE UNIVERSITY	201242480AM04	212,426
47.070	3600	VANDERBILT UNIVERSITY	UNIV61688	14,752
47.070	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	47959019124	53,958
47.070	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	47959019124A	47,805
47.070	3650	CLEMSON UNIVERSITY	19062062011806	175,647
47.070	3650	OREGON STATE UNIVERSITY	Z0051A-B	37,516
47.070	3650	UNIVERSITY OF UTAH	10054032WSU	41,795
47.074	3600	ARIZONA STATE UNIVERSITY	170251616821AM02	121,357
47.074	3600	CARY INSTITUTE OF ECOSYSTEM STUDIES	3357200201908AM01	86,277
47.074	3600	GLOUCESTER MARINE GENOMICS INSTITUTE	00001	9,243
47.074	3600	MICHIGAN STATE UNIVERSITY	612075UWAM22	133,109
47.074	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	1658PO1392504	8,088
47.074	3600	UNIVERSITY OF ARIZONA	493174AM02	14,802
47.074	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00009877AM02	1,810
47.074	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK2128	32,932
47.074	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	3004946906AM01	16,049
47.074	3600	UNIVERSITY OF MISSOURI COLUMBIA	C000509742AM04	63,264
47.074	3600	UNIVERSITY OF MISSOURI COLUMBIA	C000671931	35,763
47.074	3650	COLUMBIA UNIVERSITY	5GG014070	13,760
47.074	3650	LOYOLA MARYMOUNT UNIVERSITY	17014S1	40,160
47.074	3650	NATIONAL CENTER FOR GENOME RESOURCES	20171	96,958
47.074	3650	NOBLE RESEARCH INSTITUTE	2017978001	15,413
47.074	3650	TUFTS UNIVERSITY	SF0037	2,455
47.074	3650	UNIVERSITY OF MISSOURI	C000573932	85,612
47.074	3650	UNIVERSITY OF MISSOURI	C000622112	117,861
47.074	3650	UNIVERSITY OF TENNESSEE	9500073626	21,098
47.074	3750	University of Georgia	RR167-627/S000812	28,051
47.074	3800	University Of Alaska	UAF 18-0059/P0521291	211,202

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47.074	3800	University Of Alaska	UAF 18-0059/P0521291 C	3,882
47.075	3600	AMERICAN RED CROSS	UW664661	14,247
47.075	3600	LOUISIANA STATE UNIVERSITY	PO0000137333AM01	14,000
47.075	3600	PRINCETON UNIVERSITY	SUB0000421AM01	77,625
47.075	3600	SYRACUSE UNIVERSITY	3029105288S01AM02	28,415
47.075	3600	UNIVERSITY OF MARYLAND COLLEGE PARK	62383Z4787001	5,216
47.075	3650	REED COLLEGE	40460WSU	8,318
47.075	3650	SANTA FE INSTITUTE	SFI20160914	39,149
47.075	3650	VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY	48043319276	53,406
47.075	3800	Pennsylvania State University	577846/PO 4598691	4,055
47.076	3600	AMERICAN INSTITUTES FOR RESEARCH	0435600001MOD02	164,365
47.076	3600	AMERICAN INSTITUTES FOR RESEARCH	0499000001	41,462
47.076	3600	AMERICAN SOCIETY FOR ENGINEERING EDUC	1760002760UW	18,399
47.076	3600	CAL POLY POMONA FOUNDATION INC	007800	11,788
47.076	3600	CLAREMONT MCKENNA COLLEGE	UW665931	3,699
47.076	3600	EDUCATION DEVELOPMENT CENTER INC	EDC12423GN1850447	1,786
47.076	3600	EDUCATION DEVELOPMENT CENTER INC	EDC12423GN1850447AM01	6,551
47.076	3600	MICHIGAN STATE UNIVERSITY	RC107451UWAM02	69,879
47.076	3600	NORTHWESTERN UNIVERSITY	60053825WASHAMA01	56,793
47.076	3600	SEATTLE COLLEGES	C800404AM01	23,840
47.076	3600	SEATTLE PACIFIC UNIVERSITY	2430501819	5,333
47.076	3600	SEATTLE UNIVERSITY	210148807001AM01	28,507
47.076	3600	STANFORD UNIVERSITY	61462251126900AM04	17,960
47.076	3600	STATE UNIVERSITY OF NEW YORK GENESEO	190115665485949AM01	55,922
47.076	3600	TEACHERS DEVELOPMENT GROUP	206002C	41,905
47.076	3600	UNIVERSITY OF CALIFORNIA SANTA BARBARA	KK1938	167,970
47.076	3600	UNIVERSITY OF ILLINOIS URBANA-CHAMPAIGN	09546417496AM02	4,588

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47.076	3600	UNIVERSITY OF MARYLAND BALTIMORE COUNTY	NSF0009901	4,120
47.076	3600	UNIVERSITY OF OREGON	2008Z0BAM01	10,163
47.076	3600	UNIVERSITY OF OREGON	2012U0B	4,954
47.076	3600	UNIVERSITY OF WISCONSIN MADISON	0000001018AM01	41,499
47.076	3600	WEST VIRGINIA UNIVERSITY	18717UW	15,389
47.076	3600	WOMEN IN ENGINEERING PROACTIVE NETWORK	UW668074	11,878
47.076	3650	AMERICAN ASSOC COMMUNITY COLL	13890001	34,172
47.076	3650	AMERICAN ASSOC COMMUNITY COLL	139000	37,996
47.076	3650	AMERICAN ASSOC COMMUNITY COLL	140002	5,415
47.076	3650	AMERICAN INSTITUTES FOR RESEARCH	0499000002	30,758
47.076	3650	AUSTIN COMMUNITY COLLEGE	WSU004153	110,834
47.076	3650	DIGITAL WORLD BIOLOGY	WSU003988	-17,313
47.076	3650	HERITAGE UNIVERSITY	CRESCENT-01	55,869
47.076	3650	JEFFERSON COMM TECH COLL	DUE1700496WSU	42,496
47.076	3650	MONTEREY PENINSULA COLLEGE	WSU_ITEST SUPPLEMENTAL	701
47.076	3650	MONTEREY PENINSULA COLLEGE	WSUMATEEVALUATECOMPETE	15,807
47.076	3650	SPOKANE COMMUNITY COLLEGE	134038001	3,325
47.076	3800	Salish Kootenai College	1826637 / WWU-18-2	5,400
47.076	3800	University Of Colorado	1557894/PO 1001210788	1,366
47.076	6990	Bellevue Colleges	64710	6,813
47.076	6990	Lake Washington Tech	60160	3,726
47.076	6990	n/a	n/a	9,315
47.076	6990	Pasadena City College	1700674	73,095
47.076	6990	Purdue Univ	1700674	30,012
47.076	6990	Seattle	44676	3,381
47.076	6990	Seattle Colleges	371	30,469
47.076	6990	SINCLAIR	1304405	3,950

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47.076	6990	Tennessee Tech Univ	1601587	34,383
47.076	6990	Univ of Wash	44003	18,759
47.076	6990	UW LSAMP	763689	8,625
47.076	6990	Wisconsin	1T3A	6,655
47.076	6990	WPI	1T15	5,349
47.079	3600	UNIVERSITY OF CHICAGO	FP065300C54405486012AM	305,546
47.079	3600	US CIVILIAN RESEARCH & DEVELOPMENT FNDN	G20201267159	1,218
47.079	3650	CRDF GLOBAL	OISE19655020	9,575
47.083	3600	UNIVERSITY OF CHICAGO	AWD101485SUB00000351AM	120,996
47.083	3600	VANDERBILT UNIVERSITY	UNIV61841	137,476
47.999	6990	RandCorp	None	0
47.RD	3600	AMERICAN SOCIETY OF MECHANICAL ENGINEERS	UW639293	10,187
64.116	6990	Dept Vet Affairs	116	173,822
66.123	3600	KING COUNTY	UW667142	16,565
66.123	4770	Northwest Straits Foundation	2019-13-WDFW	43,202
66.456	3600	TULALIP TRIBES	UW669954	57,801
66.509	3600	CARNEGIE MELLON UNIVERSITY	1080358364871AM05	66,599
66.509	3600	CARNEGIE MELLON UNIVERSITY	1080358364872AM02	3,769
66.509	3600	CARNEGIE MELLON UNIVERSITY	1080358364874AM05	13,390
66.716	3650	EXTENSION	SA202016	-270
66.716	3650	EXTENSION	SA202119	18,009
66.RD	3600	AQUAGGA INC	UW684088	15,151
66.RD	3600	HEALTH EFFECTS INSTITUTE	4975RFA191209AM01	135,170
66.RD	3600	NORTH AMERICAN DEVELOPMENT BANK	TAA18003MOD02	-430
66.RD	3600	SKAGIT COUNTY	C20190479	9,085
66.U01	6990	City of Tacoma 66.815	CW2229253	6,727
81.049	3600	COLUMBIA UNIVERSITY	1GG014496	639,065

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81.049	3600	COLUMBIA UNIVERSITY	1GG014496AM01	108,748
81.049	3600	KRELL INSTITUTE	UW800214	-2,790
81.049	3600	KRELL INSTITUTE	UW807314	28,953
81.049	3600	KRELL INSTITUTE	UW807331	37,318
81.049	3600	KRELL INSTITUTE	UW807440	44,818
81.049	3600	UNIVERSITY OF MISSOURI COLUMBIA	C000554181AM03	77,474
81.049	3600	UNIVERSITY OF MISSOURI COLUMBIA	C000634211AM01	95,505
81.049	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5108338AM04	19,061
81.049	3600	UNIVERSITY OF OKLAHOMA	202123	6,577
81.049	3600	UNIVERSITY OF TENNESSEE	A180354S002AM03	80,086
81.049	3650	BATTELLE LABS (PNNL)	321180	132,420
81.049	3650	BATTELLE LABS (PNNL)	511933	46,515
81.049	3650	BATTELLE LABS (PNNL)	531171	279,305
81.049	3650	DONALD DANFORTH PLANT SCI CTR	23021W	304,275
81.049	3650	ILLINOIS STATE UNIVERSITY	A210036S006	26,316
81.049	3650	MICHIGAN STATE UNIVERSITY	RC105251	264,870
81.049	3650	MONTANA STATE UNIVERSITY	G14821W8564	47,713
81.049	3650	PURDUE UNIVERSITY	14000496003	36,826
81.049	3650	RADIATION DETECTION TECH	135871	114,764
81.049	3650	UNIVERSITY OF IDAHO	BJKQ05SB001	13,789
81.049	3650	UNIVERSITY OF NEBRASKA	2512150123011	93,819
81.049	3650	UNIVERSITY OF NEW MEXICO	740058874P	-6,971
81.049	3650	UNIVERSITY OF TEXAS AT AUSTIN	UTA20001016	26,875
81.086	3650	FOREST CONCEPTS LLC	137491001	27,959
81.086	3650	SLIPSTREAM GROUP INC	137317001	48,699
81.086	3700	Kalispel Indian Community	BPA 74488	217,197
81.087	3600	BLUEDOT PHOTONICS	UW665842	95,466

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81.087	3600	BLUEDOT PHOTONICS	UW667179	4,344
81.087	3600	IOWA STATE UNIVERSITY	4012025BAM03	130,469
81.087	3600	IOWA STATE UNIVERSITY	SCN1007304AM03	106,420
81.087	3600	OREGON STATE UNIVERSITY	G0152ABAM09	97,378
81.087	3650	AMER WIND WILDLIFE INSTITUTE	DOEWS872900	7,274
81.087	3650	ELECTRIC POWER RSCH INST	10011557	49,783
81.087	3650	GENERAL ELECTRIC	520014036	4,590
81.087	3650	RAPID ADVANCEMENT IN PROCESS INTENSIFICATION DEPLOYMENT (RAPID) MANUFACTURING INSTITUTE	DEEE00078880608	103,179
81.087	3650	TEXAS A&M UNIVERSITY	06S170616	36,041
81.087	3650	TEXAS A&M UNIVERSITY	M1900171	6,028
81.087	3650	UNIVERSITY OF CALIFORNIA LOS ANGELES	0190GXA493	92,355
81.087	3650	UNIVERSITY OF UTAH	10052221WSU	87,855
81.089	3600	UNIVERSITY OF TEXAS AUSTIN	UTA17000308AM06	52,471
81.106	2250	Western Governors Association	K16304	72,059
81.112	3600	TEXAS A&M UNIVERSITY	M1803341AM02	249
81.112	3600	TEXAS A&M UNIVERSITY	M1803341AM03	88,656
81.112	3650	UNIVERSITY OF NOTRE DAME	203186WSU	310,288
81.113	3650	GEORGIA TECH	AWD000372G1	221,397
81.122	3650	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	S5130	23,513
81.122	3650	UNIVERSITY OF ILLINOIS	20150660502	89,720
81.124	3600	UNIVERSITY OF NOTRE DAME	202199UWAM08	5,401
81.135	3600	PRINCIPLE POWER INC	UW667972	47,398
81.135	3600	PRINCIPLE POWER INC	UW668502	163,931
81.135	3600	UNIVERSITY OF COLORADO	1556660AM01	104,320
81.135	3600	UNIVERSITY OF FLORIDA	UFDSP00012001AM04	52,540
81.135	3600	ZAP ENERGY, INC	A147661DEAR0001010AM04	11,812
81.135	3600	ZAP ENERGY, INC	A147661DEAR0001010AM05	220,393

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81.135	3650	UNIVERSITY OF WISCONSIN MADISON	0000000025	56,344
81.RD	3600	ARGONNE NATIONAL LABORATORY	1F60406	29,365
81.RD	3600	ARGONNE NATIONAL LABORATORY	1F60417M0001	14,336
81.RD	3600	ARGONNE NATIONAL LABORATORY	1F60432	1,461
81.RD	3600	ARGONNE NATIONAL LABORATORY	7F30111MOD06	165,818
81.RD	3600	ARGONNE NATIONAL LABORATORY	8F30037M0D10	53,674
81.RD	3600	ARGONNE NATIONAL LABORATORY	8F30064M0004	105,665
81.RD	3600	ARGONNE NATIONAL LABORATORY	9F60043M0002	155,345
81.RD	3600	ARGONNE NATIONAL LABORATORY	9F60194MOD03	1,737
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	243766TO257527MOD01	28,989
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	571319	1,956
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO354654MOD05	7,589
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO356518MOD01	11,124
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO402123MOD06	-290
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO403450MOD04	9,356
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO415934MOD03	-33
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO424177MOD04	172,093
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO432652MOD07	117,319
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA243766TO468365MOD02	49,547
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO493071	4,983
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO495959MOD01	33,166
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO495960MOD01	23,072
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO500469	43,885
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO502654MOD1	-4,902
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO503070MOD01	12,193
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO510568MOD02	23,147
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO513654	27,943
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO516528MOD03	58,597

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81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO516639	56,481
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO523245	23,123
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO527552	33,180
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO534807MOD01	92,388
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO535499MOD01	113,747
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO539233	51,798
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO539234	45,676
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO539425MOD01	295,667
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO542796MOD01	22,977
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO544470	49,230
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO545987	10,402
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO549009	18,618
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO549157	79,219
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO554401MOD01	11,745
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO555131	68,680
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO559235	61,606
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO564330MOD01	4,521
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MA487139TO574823	3,983
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	MTA487139TO517874	29,727
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	TASK540909MASTER487139	64,591
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	TASKORDER335418MOD04	3,648
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	TO321938MOD06	61,383
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	TO386893MASTER243766	202,953
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	TO386893MOD04MASTER243	121,882
81.RD	3600	BATTELLE MEMORIAL INSTITUTE	TO495233MA487139	34,008
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	252206AM015	105,993
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	344693AM05	11,280
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	344773AM06	132,684



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81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	364211MOD02	105,777
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	388432	17,214
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	391075	1,909
81.RD	3600	BROOKHAVEN SCIENCE ASSOCIATES LLC	391075AM01	30,138
81.RD	3600	CTFUSION LLC	A144534DEAR0001098MOD0	439,002
81.RD	3600	DIRAC SOLUTIONS INC	DSIUW20181AM01	25,109
81.RD	3600	FERMI NATIONAL ACCELERATOR LABORATORY	665638MOD02	197,269
81.RD	3600	FERMI NATIONAL ACCELERATOR LABORATORY	666484MOD01	398,871
81.RD	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD102934S1AM02	59,317
81.RD	3600	KRELL INSTITUTE	UW800210	368
81.RD	3600	KRELL INSTITUTE	UW800212	-2,651
81.RD	3600	KRELL INSTITUTE	UW800293	-936
81.RD	3600	KRELL INSTITUTE	UW807335	34,485
81.RD	3600	LAWRENCE BERKELEY NATIONAL LABORATORY	7374375MOD16	544,306
81.RD	3600	LAWRENCE LIVERMORE NATIONAL LABORATORY	B621663MOD06	43,688
81.RD	3600	LAWRENCE LIVERMORE NATIONAL LABORATORY	B638049DEAC5207NA27344	13,390
81.RD	3600	LAWRENCE LIVERMORE NATIONAL LABORATORY	B639494MOD01	48,467
81.RD	3600	LAWRENCE LIVERMORE NATIONAL LABORATORY	B643872	71,829
81.RD	3600	LOS ALAMOS NATIONAL LABORATORY	436061MOD05	44,856
81.RD	3600	LOS ALAMOS NATIONAL LABORATORY	507420MOD02	94,116
81.RD	3600	LOS ALAMOS NATIONAL LABORATORY	520128MOD03	48,394
81.RD	3600	LOS ALAMOS NATIONAL LABORATORY	590135BASIC592837	34,584
81.RD	3600	LOWER COLUMBIA ESTUARY PARTNERSHIP	072021	32,944
81.RD	3600	LOWER COLUMBIA ESTUARY PARTNERSHIP	112020	53,006

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81.RD	3600	NATIONAL RENEWABLE ENERGY LABORATORY	SUB202110505	14,620
81.RD	3600	OAK RIDGE ASSOCIATED UNIVERSITIES	SAWDWD00850	32,138
81.RD	3600	PACCAR INC.	A151091AM01	83,233
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO348483MOD07	-23,715
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO445357MOD03	19,655
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO450523MOD01	178,250
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO456355MOD03	65,906
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO456356MOD05	43,941
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO463721	10,654
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO474096MOD01	166,199
81.RD	3600	PACIFIC NORTHWEST NATIONAL LABORATORY	MA243766TO474098REV1	145,684
81.RD	3600	PACIFIC OCEAN ENERGY TRUST	TEAMERTBUW	22,435
81.RD	3600	PRINCETON PLASMA PHYSICS LABORATORY	S017736	8,985
81.RD	3600	PRINCETON PLASMA PHYSICS LABORATORY	S017997	51,277
81.RD	3600	SANDIA NATIONAL LABORATORIES	PO2098317	5,962
81.RD	3600	SLAC NATIONAL ACCELERATOR LABORATORY	168751MOD01	53,176
81.RD	3600	SLAC NATIONAL ACCELERATOR LABORATORY	190039MOD01	59,170
81.RD	3600	UNIVERSITY OF ARIZONA	522609MOD02	12,600
81.RD	3600	UT-BATTELLE LLC	134124G00397114AM002	238,566
81.RD	3600	UT-BATTELLE LLC	134124G003971AM002	400
81.RD	3600	UT-BATTELLE LLC	4000158760MOD05	66,491
81.RD	3600	UT-BATTELLE LLC	4000184536	25,204
81.RD	3600	UT-BATTELLE LLC	4000186509	14,003
81.U01	3650	ANL - UNIVERSITY OF CHICAGO	0F60061	102,219
81.U02	3650	ANL - UNIVERSITY OF CHICAGO	0F60172	67,289
81.U03	3650	BATTELLE LABS (PNNL)	118074	384,323
81.U04	3650	BATTELLE LABS (PNNL)	130248FPCA	9,000
81.U05	3650	BATTELLE LABS (PNNL)	135945001	4,192

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81.U06	3650	BATTELLE ENERGY ALLIANCE-INL	196561	36,141
81.U08	3650	BATTELLE ENERGY ALLIANCE-INL	230862	10,853
81.U09	3650	BATTELLE LABS (PNNL)	316309	124,034
81.U10	3650	BATTELLE LABS (PNNL)	320972	35,147
81.U11	3650	BATTELLE LABS (PNNL)	324880	9,149
81.U12	3650	BATTELLE LABS (PNNL)	381667	54,576
81.U14	3650	BATTELLE LABS (PNNL)	407930	144,063
81.U15	3650	BATTELLE LABS (PNNL)	413678	-451
81.U16	3650	BATTELLE LABS (PNNL)	426011	49,070
81.U17	3650	BATTELLE LABS (PNNL)	432041	196,426
81.U18	3650	BATTELLE LABS (PNNL)	432570	54,038
81.U19	3650	BATTELLE LABS (PNNL)	438660	184,880
81.U23	3650	BATTELLE LABS (PNNL)	475231	48,714
81.U24	3650	BATTELLE LABS (PNNL)	477975	41,659
81.U25	3650	BATTELLE LABS (PNNL)	480688	44,622
81.U26	3650	BATTELLE LABS (PNNL)	489324	45,601
81.U27	3650	BATTELLE LABS (PNNL)	493865	20,000
81.U29	3650	BATTELLE LABS (PNNL)	500293	49,245
81.U30	3650	BATTELLE LABS (PNNL)	500860	36,870
81.U31	3650	BATTELLE LABS (PNNL)	501621	48,816
81.U32	3650	BATTELLE LABS (PNNL)	502212	42,034
81.U33	3650	BATTELLE LABS (PNNL)	502231	49,019
81.U34	3650	BATTELLE LABS (PNNL)	506560	75,362
81.U35	3650	BATTELLE LABS (PNNL)	506570	159,296
81.U36	3650	BATTELLE LABS (PNNL)	508280	8,874
81.U37	3650	BATTELLE LABS (PNNL)	508638	15,956
81.U40	3650	BATTELLE LABS (PNNL)	516084	41,713
81.U41	3650	BATTELLE LABS (PNNL)	518593	52,405

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81.U42	3650	BATTELLE LABS (PNNL)	518605	61,381
81.U43	3650	BATTELLE LABS (PNNL)	518962	9,742
81.U44	3650	BATTELLE LABS (PNNL)	519010	11,251
81.U45	3650	BATTELLE LABS (PNNL)	526597	42,046
81.U46	3650	BATTELLE LABS (PNNL)	528677	18,919
81.U47	3650	BATTELLE LABS (PNNL)	531896	16,832
81.U48	3650	BATTELLE LABS (PNNL)	538222	44,129
81.U49	3650	BATTELLE LABS (PNNL)	540055	18,579
81.U50	3650	BATTELLE LABS (PNNL)	540104	26,468
81.U51	3650	BATTELLE LABS (PNNL)	540570	90,086
81.U52	3650	BATTELLE LABS (PNNL)	550188	5,541
81.U53	3650	BATTELLE LABS (PNNL)	551933	22,654
81.U54	3650	BATTELLE LABS (PNNL)	555156	15,841
81.U55	3650	BATTELLE LABS (PNNL)	555239	11,586
81.U56	3650	BATTELLE LABS (PNNL)	555468	23,919
81.U57	3650	BATTELLE LABS (PNNL)	556825	13,423
81.U58	3650	BATTELLE LABS (PNNL)	561086	27,420
81.U59	3650	BATTELLE LABS (PNNL)	562117	5,783
81.U60	3650	MISSION SUPPORT ALLIANCE LLC	56682	234,241
81.U61	3650	BATTELLE LABS (PNNL)	574231	8,093
81.U67	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	7314801	3,801
81.U68	3650	WASHINGTON RIVER PROTECTION SOLUTIONS	74081	46,932
81.U70	3650	UC-BERKELEY-LBLN	7548374	37,681
81.U71	3650	UC-BERKELEY-LBLN	7555991	68,988
81.U73	3650	LAWRENCE LIVERMORE NATIONAL SECURITY-LLNL	B644429	82,682
81.U74	3650	LAWRENCE LIVERMORE NATIONAL SECURITY-LLNL	B644928	68,452
81.U75	3650	COLVILLE CONFEDERATED TRIBES	C20-123	87,041

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81.U76	3650	ANL - UNIVERSITY OF CHICAGO	IF60329	48,911
81.U79	3650	ALLIANCE SUSTAINABLE ENERGY	XFC87033101	151,904
84.027	3760	OSPI	0327413	270
84.027	3760	OSPI	0327428	42,834
84.027	3760	OSPI	0327440	205,699
84.031	3600	HERITAGE UNIVERSITY	84.031S, A139002AM3	28,993
84.031	3600	HERITAGE UNIVERSITY	84.031S, A139003AM04	45,357
84.031	6990	Seattle	33030	12,395
84.042	6990	Seattle	35752	48,689
84.101	6990	Tulalip Tribes	0010017	29,801
84.101	6990	Tulalip Tribes	18190309ESA	185,975
84.126	6990	DSHS DVR	2065-62923	12,816
84.196	6990	DCYF-CCAMPIS	1004	6,500
84.206	3600	SAINT JOHN'S UNIVERSITY	3578803	9,914
84.264	3600	SAN DIEGO STATE UNIVERSITY RSCH FNDN	84.264?, SA0000624AM02	5,126
84.282	3600	WA ST CHARTER SCHOOLS ASSOCIATION	UW668211	14,383
84.305	3600	AMERICAN INSTITUTES FOR RESEARCH	0440100001MOD02	164,317
84.305	3600	AMERICAN INSTITUTES FOR RESEARCH	PO046220001MOD02	91,740
84.305	3600	GEORGETOWN UNIVERSITY	AWD7772723GR205512AM02	6,977
84.305	3600	LEHIGH UNIVERSITY	84.305A, 54422078003	45,084
84.305	3600	NEW YORK UNIVERSITY	84.305A, F143401	9,686
84.305	3600	UNIVERSITY OF HOUSTON	84.305A, R210013	180,421
84.305	3600	UNIVERSITY OF MINNESOTA	A005236402AM04	50,670
84.305	3600	UNIVERSITY OF NOTRE DAME	203618UWBAM01	27,215
84.305	3600	UNIVERSITY OF VIRGINIA	84.305N, GM10155PO2108	6,819
84.315	3800	Northwest Indian College	NWIC-21060-SA-M01	68,238
84.324	3600	AMERICAN INSTITUTES FOR RESEARCH	0438500001MOD02	66,535
84.324	3600	DUQUESNE UNIVERSITY	84.324A, 250911MOD06	44,823

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84.324	3600	VANDERBILT UNIVERSITY	UNIV61540	80,131
84.325	3600	UNIVERSITY OF CONNECTICUT	84.325H, UCHC712739462	53,972
84.325	3600	UNIVERSITY OF CONNECTICUT	UCHC7127394623	18,516
84.367	3650	UNIVERSITY OF CALIFORNIA - BERKELEY	WACAULFIELDSEED2019	3,012
84.411	3750	University of California	92-WA02-2019i3WP	23,688
84.411	3750	University of California	92-WA02-202i3WP	56,653
84.424	6990	ESSA EDCAP	656735	98,215
84.RD	3600	ABT ASSOCIATES INC	50372	16,346
84.RD	3600	SRI INTERNATIONAL INC	PO31603AM002	16,331
93.067	3600	BOTSWANA TRAINING & EDUC CTR FOR HEALTH	2020UWITECH001	136,013
93.067	3600	BOTSWANA TRAINING & EDUC CTR FOR HEALTH	2020UWITECH002	77,072
93.067	3600	CENTRE HAITIEN POUR LE RENFORCEMENT DU S	A149006AM03	203,170
93.067	3600	CENTRE HAITIEN POUR LE RENFORCEMENT DU S	A157946AM01	176,985
93.067	3600	CHRISTIAN HEALTH ASSOCIATION OF KENYA	AM01	102,552
93.067	3600	CHRISTIAN HEALTH ASSOCIATION OF KENYA	UW666837	115,646
93.067	3600	PALLADIUM INTERNATIONAL LLC	217708ITECH004MOD01	5,188
93.067	3600	PATH	CDC57928401709063SUBAM	283,675
93.067	3600	POPULATION SERVICES INTERNATIONAL	4454AM03	53,340
93.067	3600	UNIVERSITY OF MARYLAND BALTIMORE	1802524PO1000000866AM	32,096
93.068	3600	NATIONAL OPINION RESEARCH CENTER	G157UWA01	76,982
93.068	3600	NATIONAL OPINION RESEARCH CENTER	G157UWA02	218,652
93.080	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12047SC	5,093
93.082	3600	KING COUNTY	1171CDIPAM04	19,069
93.082	3600	KING COUNTY	1171CDIPAM05	59,098
93.084	3600	UNIVERSITY OF NEW YORK - ALBANY	11567615860001AM02	69,317
93.084	3600	UNIVERSITY OF NEW YORK - ALBANY	1164040486001AM03	169,433

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93.087	3650	CATHOLIC CHARITIES OF SPOKANE	132359001	107,327
93.103	3030	Association of Food and Drug Officials	G-1910-02156	4,525
93.103	3030	Association of Food and Drug Officials	G-SP-1910-08129	3,300
93.103	3600	SEATTLE CHILDREN'S HOSPITAL	12439SUB	18,786
93.103	3600	UNIVERSITY OF KANSAS MEDICAL CENTER RESEARCH INSTITUTE	Z8B00010AM02	31
93.103	3600	UNIVERSITY OF ROCHESTER	417605GURFAOGR510946AM	11,880
93.103	3600	UNIVERSITY OF ROCHESTER	417809GURFAOGR511086AM	63,418
93.103	3600	YALE UNIVERSITY	GR108640CON80002180MOD	16,031
93.110	3600	CHILDREN'S HOSPITAL & RSCH CTR OAKLAND	807958UW181AM03REV	3,909
93.110	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1920GWA101AM03	16,782
93.110	3600	UNIVERSITY OF VIRGINIA	GB10656PO2121838AM01	-212
93.110	3600	UNIVERSITY OF VIRGINIA	GB10656PO2121838AM02	6,093
93.113	3600	BOSTON UNIVERSITY	4500002762AM03	71,807
93.113	3600	COLUMBIA UNIVERSITY	1GG013047AM02	11,572
93.113	3600	JOHNS HOPKINS UNIVERSITY	2003249885AM04	84,904
93.113	3600	NORTIS INC	UW2020082001AM01	79,292
93.113	3600	UNIVERSITY OF IOWA	S0146401AM01	229,844
93.113	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00010622AM03	88,205
93.113	3600	UNIVERSITY OF NEBRASKA	3419052249011AM01	40,191
93.113	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	110056808AM03	60,963
93.113	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	119081031PO50808901AM0	38,808
93.113	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	80001140AM04	37,069
93.113	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU18174MOD3AM03	339,963
93.113	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU1991	-210
93.113	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU20253MOD01	42,931
93.113	3600	WESTAT INC	671400S00	93,610
93.113	3600	YALE UNIVERSITY	GR104703CON80001507AM0	46,525

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93.113	3650	OREGON STATE UNIVERSITY	P0516AA	68,966
93.113	3650	OREGON STATE UNIVERSITY	P0516BA	8,354
93.113	3650	UNIVERSITY OF NEW MEXICO	3RJC1	13,236
93.118	3600	MISSISSIPPI DEPARTMENT OF HEALTH	SG1068	58,519
93.121	3600	BRIGHAM AND WOMEN'S HOSPITAL	121660AM01	95,634
93.121	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000965679AM01	15,291
93.121	3600	TECHNOLOGY ASSESSMENT & TRANSFER	UW633543	77,036
93.121	3600	THE FORSYTH INSTITUTE	UWASH0238102665AM03	263,054
93.121	3600	THE FORSYTH INSTITUTE	UWASH0261862635AM04	58,490
93.121	3600	THE FORSYTH INSTITUTE	WASH0201022640AM03	111,781
93.121	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1350GVD585AM02	8,261
93.121	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9648SCAM06	66,232
93.127	3600	SEATTLE CHILDREN'S HOSPITAL	12174SUB	21,237
93.127	3600	SEATTLE CHILDREN'S HOSPITAL	12428SUBMOD01	86,868
93.136	3600	VIRGINIA COMMONWEALTH UNIVERSITY	FP00001573SA001AM03	7,689
93.137	3600	SEATTLE CHILDREN'S HOSPITAL	12194SUB	6,918
93.137	3600	SEATTLE CHILDREN'S HOSPITAL	12437SUB	4,927
93.142	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2105GTA258AM06	26,937
93.142	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2105GYA193	348,517
93.142	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2105GYA193AM001	18,252
93.142	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2105GYA352	14,988
93.153	3600	HARBORVIEW MEDICAL CENTER	UW668550	60,350
93.153	3600	UNIVERSITY OF WASHINGTON	UW660289	4,490
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	1012132UW	58,721
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	771120UW	22,014
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	771122UW	20,146
93.161	3600	AMERICAN ACADEMY OF PEDIATRICS	771122UWPO100202AM01	139,026



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93.172	3600	BAYLOR COLLEGE OF MEDICINE	PO7000001243	23,177
93.172	3600	COLUMBIA UNIVERSITY	1GG01489001AM02	36,450
93.172	3600	ELECTRONIC BIOSCIENCES INC	160NH2C4909MOD01	138,767
93.172	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C6214609	186,308
93.172	3600	JACKSON LABORATORY	210314052103AM01	574,147
93.172	3600	JACKSON LABORATORY	210314052203AM02	18,666
93.172	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG002727BUDG04UW00AM0	-5,428
93.172	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG209827UWAM022020111	42,525
93.172	3600	KAISER FOUNDATION RESEARCH INSTITUTE	OOS030229UW84069	-7
93.172	3600	KAISER FOUNDATION RESEARCH INSTITUTE	OOS030229UWAM07	173,612
93.172	3600	KAISER FOUNDATION RESEARCH INSTITUTE	OOS030229UWAM08	250,842
93.172	3600	KAISER PERMANENTE CENTER FOR HEALTH RESEARCH	UW684575	14,456
93.172	3600	MATCHSTICK TECHNOLOGIES INC	A138585	247,677
93.172	3600	MATCHSTICK TECHNOLOGIES INC	UW660934	44,300
93.172	3600	MATCHSTICK TECHNOLOGIES INC	UW661840	8,935
93.172	3600	NEW YORK GENOME CENTER	UM1UWASH4S2RV2AM08	132,279
93.172	3600	SLOAN KETTERING INST FOR CANCER RESEARCH	BD521791BAM04	13,941
93.172	3600	SLOAN KETTERING INST FOR CANCER RESEARCH	BD521791CAM05	112,132
93.172	3600	SLOAN KETTERING INST FOR CANCER RESEARCH	BD521791DAM06	86,938
93.172	3600	SOUTHCENTRAL FOUNDATION	2019073AM01	-18,596
93.172	3600	STANFORD UNIVERSITY	62305015135394AM01	193,124
93.172	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00010386	29,869
93.172	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12702SC	48,239
93.172	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9936SCAM09	466,777
93.172	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A200450S002P0727665AM0	461,263
93.172	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A200450S005P0727662	41,976

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93.172	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A210187S001POP0753656	38,830
93.172	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00010386	2,023
93.172	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	OSP2017191AM06	45,554
93.172	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	OSP2017191AM07	30,985
93.172	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	131153455	26,147
93.172	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	131153455AM01	26,843
93.172	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC57005AM5	56,577
93.172	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC63906AM02	220,514
93.172	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC87180	14,689
93.172	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19115MOD1PO2934479G	-42,196
93.172	3650	UNIVERSITY OF ALABAMA	000525321002	43,809
93.173	3600	FLORIDA STATE UNIVERSITY	R02101AM02	72,379
93.173	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001023872	55,258
93.173	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001023872AM01	47,318
93.173	3600	NORTHWESTERN UNIVERSITY	SP0034193PROJ0009132AM	53,935
93.173	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1017309UWA	13,012
93.173	3600	TEL AVIV UNIVERSITY	0601146323AM02	180,784
93.173	3600	TEL AVIV UNIVERSITY	0601146324AM03	9,947
93.173	3600	TEMPLE UNIVERSITY	260885UWAM03	115,512
93.173	3600	UNIVERSITY OF COLORADO DENVER	FY19966001PO1001128171	12,843
93.173	3600	UNIVERSITY OF ROCHESTER	417738GURFAOGR511053AM	134,318
93.173	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU1845MOD6AM06	175,753
93.173	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU2119	130,900
93.197	3600	OREGON HEALTH AUTHORITY	158689AM02	43,946
93.211	3600	UNIVERSITY OF MISSISSIPPI MEDICAL CENTER	SP13977SB6AM03	63,913
93.211	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5112962AM02	134,840

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93.213	3600	2MORROW	R44AT011593	7,943
93.213	3600	DUKE UNIVERSITY	A032242AM01	8,877
93.213	3600	DUKE UNIVERSITY	A032242AM03	15,920
93.213	3600	DUKE UNIVERSITY	A032364	18,092
93.213	3600	DUKE UNIVERSITY	A032547	4,044
93.213	3600	DUKE UNIVERSITY	A032882	3,297
93.213	3600	DUKE UNIVERSITY	A033693	18,054
93.213	3600	DUKE UNIVERSITY	A034216	19,514
93.213	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG210253BUDG01UW00	3,170
93.213	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210883UW	32,070
93.213	3600	SEATTLE CHILDREN'S HOSPITAL	12419SUB	15,026
93.213	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A180910S005AM02	195,265
93.213	3650	STANFORD UNIVERSITY	62266166139496	231,984
93.224	3600	KING COUNTY	5947CHS	11,976
93.224	3600	KING COUNTY	6635CHS	29,006
93.226	3600	BROWN UNIVERSITY	00001745	6,404
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210018BUDG02UW00	35,759
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210018BUDG03UWAM01	103,601
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210159BUDG02UW00	6,324
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210159BUDG03UW	23,909
93.226	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210906BUDG03UW	105,208
93.233	3600	OHIO STATE UNIVERSITY	60078515	13,403
93.233	3600	SRI INTERNATIONAL INC	PO41897AM01	353,313
93.233	3650	UNIVERSITY OF CALIFORNIA DAVIS	A190461S002	-5,876
93.236	3600	MONTANA DEPARTMENT OF PUBLIC HEALTH	19075010690AM01	47,721
93.236	3600	MONTANA DEPARTMENT OF PUBLIC HEALTH	19255010690AM03	83,645
93.239	3600	UNIVERSITY OF WISCONSIN MADISON	708K094AM04	52,915
93.239	3600	UNIVERSITY OF WISCONSIN MADISON	708K094AM3	55,947

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93.242	3600	ALLEN INSTITUTE	20200613	95,690
93.242	3600	BRIGHAM AND WOMEN'S HOSPITAL	122074AM02	29,205
93.242	3600	CASE WESTERN RESERVE UNIVERSITY	RES515454	79,144
93.242	3600	CENTRE FOR INFECTIOUS DISEASE RESEARCH	M101S13F03AM15R01MH115	58,815
93.242	3600	CENTRE FOR INFECTIOUS DISEASE RESEARCH	M101S13F04AM02	2,838
93.242	3600	DESMOND TUTU HIV FOUNDATION	NIH3PUW04MOD06	-3,160
93.242	3600	DRVISION TECHNOLOGIES LLC	AM01	397,329
93.242	3600	DUKE UNIVERSITY	A032074AM03	164,714
93.242	3600	DUKE UNIVERSITY	A032186AM03	2,817
93.242	3600	FOUNDATION FOR PROFESSIONAL DEVELOPMENT	PRIME1R01MH11464803	1,041
93.242	3600	GEISINGER CENTER FOR HEALTH RESEARCH	UW684209	82,462
93.242	3600	GEISINGER CENTER FOR HEALTH RESEARCH	UW684330	2,663
93.242	3600	GEISINGER CLINIC	626514UOW01	245,616
93.242	3600	GEISINGER CLINIC	626514UOW01AM002	90,230
93.242	3600	HARVARD UNIVERSITY	15340251110110002	146,103
93.242	3600	JOHNS HOPKINS UNIVERSITY	2004200844AM01	31,143
93.242	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210241BUDG01UW01AM0	41,757
93.242	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210279UWAM01	18,650
93.242	3600	KAISER PERMANENTE CENTER FOR HEALTH RESEARCH	UW684576	3,788
93.242	3600	LYSSNIO INC	123215UW01AM01	131,120
93.242	3600	MASSACHUSETTS GENERAL HOSPITAL	227381AM065R01MH109309	23,526
93.242	3600	MASSACHUSETTS GENERAL HOSPITAL	237573	1,339
93.242	3600	MAYO CLINIC	WAS26007001AM01PO67411	114,692
93.242	3600	MAYO CLINIC	WAS260070PO66976584	5,755
93.242	3600	MCLEAN HOSPITAL	401664	420,459
93.242	3600	MCLEAN HOSPITAL	401664AM01	157,079
93.242	3600	NEUROLUX	UW664218	127,174

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<b>Federal Catalog No.</b>	<b>State Agency No.</b>	<b>Pass-Through Entity Name</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
93.242	3600	PORTLAND STATE UNIVERSITY	100156AM01	26,629
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	11957SUBMOD01	10,704
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12185SUBMOD01	52,369
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12368SUB	11,785
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	12376SUB	2,760
93.242	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CE21SSAMSTC1SIBCR	20,196
93.242	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CE21UW1	-818
93.242	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CE21UW2	33,359
93.242	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	HM41SCDS12SIBCR	2,495
93.242	3600	STELLENBOSCH UNIVERSITY	S006256	10,144
93.242	3600	SWEDISH HEALTH SERVICES	223004B01AM05	41,625
93.242	3600	TALKSPACE	UW667711	84,370
93.242	3600	UNIVERSITY OF CALIFORNIA IRVINE	20193804AM01	110,338
93.242	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1580GVA719AM03	71,680
93.242	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2000GWE286AM02	57,159
93.242	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2000GXQ017AM02	87,593
93.242	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	67277131S9001200AM06	3,562
93.242	3600	UNIVERSITY OF COLORADO	FY201021002AM01	32,313
93.242	3600	UNIVERSITY OF COLORADO	FY2193000125A9843	139,391
93.242	3600	UNIVERSITY OF FLORIDA	UFDSP00011760AM05	24,892
93.242	3600	UNIVERSITY OF KWAZULU-NATAL	UKZNU1920171AM03	675
93.242	3600	UNIVERSITY OF KWAZULU-NATAL	UKZNU1920171AM04	68,676
93.242	3600	UNIVERSITY OF LIVERPOOL	AM03	5,679
93.242	3600	UNIVERSITY OF LIVERPOOL	AM04	28,192
93.242	3600	UNIVERSITY OF MINNESOTA	A006759602AM02	44,092
93.242	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5111740AM02	21,561
93.242	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5113535AM02	16,471

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93.242	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5115684AM01	36,910
93.242	3600	UNIVERSITY OF PENNSYLVANIA	568643AM05	7,679
93.242	3600	UNIVERSITY OF PENNSYLVANIA	576359AM01	10,727
93.242	3600	UNIVERSITY OF VIRGINIA	GB10691PO2133382AM03	60,834
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU18449MOD4	89,583
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19307MOD2	51,021
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19408MOD2AM02	144,535
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19409MOD2AM02	36,695
93.242	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU20497MOD1AM01	4,805
93.242	3600	YALE UNIVERSITY	GR102866CON80001336AM0	-1
93.242	3600	YALE UNIVERSITY	GR110244CON80002479	304,128
93.242	3650	UNIVERSITY OF COLORADO	FY18001018	190,847
93.243	3600	CONFEDERATED TRIBES AND BANDS OF YAKAMA	UW638667	232,794
93.243	3600	JOHNS HOPKINS UNIVERSITY	2004352474AM02	30,896
93.243	3600	RTI INTERNATIONAL	4312021718665733LMOD02	692,636
93.243	3700	Council on Social Work Education	CSWE-71790	3,914
93.262	3600	THE CENTER FOR CONSTRUCTION	30011110AM01	30,436
93.262	3600	THE CENTER FOR CONSTRUCTION	30011210	163,910
93.262	3650	TEXAS A&M UNIVERSITY	M1803758	46,030
93.262	3650	THE CENTER FOR CONSTRUCTION RESEARCH AND TRAINING	3001110301	27,582
93.266	3600	UNIVERSITY OF PENNSYLVANIA	582025	3,201
93.273	3600	BOSTON MEDICAL CENTER	7584	21,898
93.273	3600	BOSTON MEDICAL CENTER	7584AM01	44,184
93.273	3600	EMORY UNIVERSITY	A337174AM06	91,069
93.273	3600	EMORY UNIVERSITY	A412609AM05	18,261
93.273	3600	EMORY UNIVERSITY	UW684255	6,070

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93.273	3600	RHODE ISLAND HOSPITAL	7017137290AM03	26,056
93.273	3600	RHODE ISLAND HOSPITAL	7017137597	11,190
93.273	3600	SAN DIEGO STATE UNIVERSITY RSCH FNDN	SA0000640AM02	1,108
93.273	3600	SAN DIEGO STATE UNIVERSITY RSCH FNDN	SA0000640AM03	83,993
93.273	3600	SCRIPPS RESEARCH INSTITUTE	554169AM02	5,163
93.273	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000512064001AMA04	33,687
93.273	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000512064SC001AMA05	10,888
93.273	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00014818	17,910
93.273	3600	UNIVERSITY OF MINNESOTA	A007398902AM1	4,542
93.273	3600	UNIVERSITY OF NEW MEXICO	028400874JAM002	20,015
93.273	3600	UNIVERSITY OF NORTH TEXAS HSC	RF0012320180189AM05	92,476
93.273	3600	UNIVERSITY OF NORTH TEXAS HSC	RF0014320180407AM02	34,044
93.273	3600	UNIVERSITY OF WISCONSIN MADISON	806K374AM02	2,821
93.273	3650	LABSYS LLC	R43AA028456WSU	19,746
93.273	3650	MANAGED HEALTH CONNECTIONS LLC	132687002	64,263
93.273	3650	UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	10532SC	11,799
93.279	1070	Stanford University	7R01DA037222	120
93.279	3600	BOSTON MEDICAL CENTER	4457AM06	19,558
93.279	3600	BRANDEIS UNIVERSITY	GR403953UWAM01	94,012
93.279	3600	BROWN UNIVERSITY	00001314AM02	10,835
93.279	3600	CONSUMER WELLNESS SOLUTIONS INC	052020	21,031
93.279	3600	CONSUMER WELLNESS SOLUTIONS INC	052020ADDENDUMNO2AM01	6,345
93.279	3600	EMOCHA MOBILE HEALTH INC	A157198	64,874
93.279	3600	EMOCHA MOBILE HEALTH INC	AM02PRIME1R44DA0440530	44,247
93.279	3600	EMORY UNIVERSITY	T855321AM045R01DA04561	43,312
93.279	3600	FATHER FLANAGAN'S BOYS' HOME	97015BAM04	-762
93.279	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000988409AM04	15,812

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93.279	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG210129UWAM01	14,672
93.279	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG210129UWAM02	8,705
93.279	3600	MCLEAN HOSPITAL	401655	3
93.279	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	2000001005210	19,016
93.279	3600	OREGON SOCIAL LEARNING CENTER INC	AM02	14,738
93.279	3600	RTI INTERNATIONAL	1312021663465463LMOD01	6,032
93.279	3600	SAINT LOUIS UNIVERSITY	ERS2198744197AM02	27,115
93.279	3600	SEATTLE CHILDREN'S HOSPITAL	12195SUBMOD01	15,281
93.279	3600	SEATTLE CHILDREN'S HOSPITAL	12434SUB	77,356
93.279	3600	SEATTLE CHILDREN'S HOSPITAL	12562SUB	15,217
93.279	3600	SOUND LIFE SCIENCES INC	UW666453	4,775
93.279	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000517103SC003AMA02	129,134
93.279	3600	UNIVERSITY OF ILLINOIS CHICAGO	17880	44,262
93.279	3600	UNIVERSITY OF MINNESOTA	D007614702AM01	30,434
93.279	3600	UNIVERSITY OF MINNESOTA	N008805601	81,194
93.279	3600	UNIVERSITY OF MINNESOTA	P006920802	2,816
93.279	3600	UNIVERSITY OF TENNESSEE	210974UW	13,913
93.279	3600	UNIVERSITY OF TENNESSEE	213499UWAM01	13,116
93.279	3600	UNIVERSITY OF UTAH	1004527701AM03	23,611
93.279	3600	WAKE FOREST UNIVERSITY	312100500550092	159,550
93.279	3600	WEILL MEDICAL COLLEGE OF CORNELL UNIV	205005	61,501
93.279	3600	YALE UNIVERSITY	CON80003030GR113149AM0	108,342
93.279	3600	YALE UNIVERSITY	GR109739CON80002401AM0	188,290
93.279	3600	YALE UNIVERSITY	UW684130	19,368
93.279	3650	PILLSY INC	R44DA049629	51,074
93.279	3650	UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	11725SC	9,747
93.279	3650	UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	12539SC	2,667
93.279	3650	UNIVERSITY OF CINCINNATI	011130003	25,241



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93.279	3650	UNIVERSITY OF NEW MEXICO	3RGH5C	1,109
93.283	3650	TASK FORCE FOR GLOBAL HEALTH	INFCVEPV2	294,743
93.286	3600	ALBANY RSCH INST INC	96206PRIMENS108916	36,165
93.286	3600	EMORY UNIVERSITY	A454269	91
93.286	3600	INDIANA UNIVERSITY	BL4648731UWAM04	70,688
93.286	3600	JOHNS HOPKINS UNIVERSITY	2004804180	62,087
93.286	3600	JOHNS HOPKINS UNIVERSITY	2004999881	30,210
93.286	3600	NORTHWESTERN UNIVERSITY	60053814UWAMA01	72,338
93.286	3600	UNIVERSITY OF ARIZONA	590063	77,320
93.286	3600	UNIVERSITY OF TEXAS AUSTIN	UTA17000891AM02	-412
93.286	3650	ADAPTELLIGENCE LLC	134822002	81,002
93.286	3650	CLEVELAND CLINIC FOUNDATION	1425SUB	102,423
93.286	3650	RADIATION DETECTION TECH	135610002	32,040
93.286	3760	Cornell University	1R01EB027895-01	14,134
93.307	3600	BOSTON UNIVERSITY	4500003777AM01	30,689
93.307	3600	COLUMBIA UNIVERSITY	1GG01183407AM11	163,745
93.307	3600	COLUMBIA UNIVERSITY	1GG01223802AM01	5,544
93.307	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210374UW02AM01	14,270
93.307	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1920GXA148AM01	82,080
93.307	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	OSP2017201AM04	44,588
93.307	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5109073AM04	235,701
93.307	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5109076AM03	115,666
93.307	3600	UNIVERSITY OF PENNSYLVANIA	577433AM03	65,415
93.307	3600	UNIVERSITY OF TEXAS AUSTIN	UTA19001247AM03	39,334
93.307	3650	UNIVERSITY OF COLORADO	FY18001024	293,375
93.307	3650	UNIVERSITY OF COLORADO DENVER	FY21001030	5,139
93.310	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	311572AM01	2,111

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93.310	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	311818AM02	78,366
93.310	3600	BROAD INSTITUTE INC	56102265500000695AM12	73,723
93.310	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S408790AM01	292
93.310	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S408790AM02	6
93.310	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S408790AM03	1,407,087
93.310	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY (CALTECH)	UW684475	1,331
93.310	3600	DREXEL UNIVERSITY	900037AM05	55,315
93.310	3600	DREXEL UNIVERSITY	900094AM06	137,408
93.310	3600	MONTANA STATE UNIVERSITY	G26721W8902AM01	172,814
93.310	3600	UNIVERSITY OF UTAH	1005478202	192,931
93.322	3600	ASSOC OF PUBLIC HEALTH LABORATORIES INC	564012006162005	74,456
93.322	3600	ASSOC OF PUBLIC HEALTH LABORATORIES INC	564012009442009	3,118
93.325	3650	WSU FOUNDATION	138637001	7,730
93.350	3600	HARVARD UNIVERSITY	15318551130260311AM02	25,913
93.350	3600	JOHNS HOPKINS UNIVERSITY	2005069333	94,112
93.350	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	16A00000700001AM02	781
93.350	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	16A00000700001AM03	18,848
93.350	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1011902003UWA	10,260
93.350	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1011902UWAAM03	9,393
93.350	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1011902UWAAM05	613,345
93.350	3600	SEATTLE CHILDREN'S HOSPITAL	12147SUB	2,462
93.350	3600	SEATTLE CHILDREN'S HOSPITAL	12507SUB	21,040
93.350	3600	UNIVERSITY OF PITTSBURGH	AWD0000024313444517	29,006
93.350	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC85947AM02	174,083
93.350	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU210490PO2941111K	9,666
93.350	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU2174	19,978
93.353	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001003179	-9,095

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93.353	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001012365	3,368
93.353	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001042166	623
93.353	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001042169	4,579
93.353	3600	SLOAN KETTERING INST FOR CANCER RESEARCH	BD522497CAM04	11,384
93.353	3600	SLOAN KETTERING INST FOR CANCER RESEARCH	BD522497DAM05	101,140
93.361	3600	BAYLOR COLLEGE OF MEDICINE	7000000671AM03	211,359
93.361	3600	BAYLOR COLLEGE OF MEDICINE	7000001179	18,584
93.361	3600	CASE WESTERN RESERVE UNIVERSITY	RES513808AM04	96,978
93.361	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255E1114609	92,462
93.361	3600	SEATTLE CHILDREN'S HOSPITAL	11964SUBMOD01	4,335
93.361	3600	SEATTLE CHILDREN'S HOSPITAL	12523SUB	21,112
93.361	3600	SEATTLE CHILDREN'S HOSPITAL	12524SUB	8,177
93.361	3600	UNIVERSITY OF CALIFORNIA IRVINE	20183654AM01	23
93.361	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5106244AM06	90,191
93.361	3650	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5106247	7,499
93.393	3600	ARIZONA STATE UNIVERSITY	17093AM06	29,412
93.393	3600	CHILDREN'S HOSPITAL OF PHILADELPHIA	3210720420AM05	6,136
93.393	3600	DIABETIC COMPLICATIONS CONSORTIUM (DCC)	UW674027	3,874
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000977455AM02	8,779
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001000625	2,310
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001000626	8,296
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001004578AM01	22,535

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93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001004667	2,335
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001020618	6,219
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001023364AM03	274,838
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001024338	787
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001024339	25,482
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001024340	28,232
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001024401	5,797
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001024473	11,034
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001025538	34,884
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001025948	1,244
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001026466	7,783
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001035919	95,732
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001041270AM01	90,100
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001041797	15,189
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001052585	61,001
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001066846AM01	6,316
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001067024	3,678
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001067025AM01	4,047

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93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001067504	3,087
93.393	3600	HARVARD PILGRIM HEALTH CARE INC	AH000632AM04	36,071
93.393	3600	HARVARD UNIVERSITY	1160935118080	224,932
93.393	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210178UWAM02	125,973
93.393	3600	MASSACHUSETTS GENERAL HOSPITAL	1160715089696AM11	23,571
93.393	3600	PENNSYLVANIA STATE UNIVERSITY	UWCA237153AM02	72,748
93.393	3600	REGENTS OF THE UNIVERSITY OF CALIFORNIA	UW684288	5,706
93.393	3600	REGENTS OF THE UNIVERSITY OF CALIFORNIA	UW684335	4,627
93.393	3600	SEATTLE CHILDREN'S HOSPITAL	11042SUBMOD05	0
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CK11SSWEEKESIBCR1	4,031
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	CK11WE31SIBCR	1,068
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116GJ12SIBCRM01	13,760
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116HERODM1SIBCRM01	1,858
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116MIRANG2SIBCR	22,929
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116UW1	20,622
93.393	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ116UW2	54,064
93.393	3600	SEATTLE INSTITUTE FOR BIOMEDICAL AND CLINICAL RESEARCH (SIBCR)	GJ116UW1	25,784
93.393	3600	UNIVERSITY OF CALIFORNIA DAVIS	20160369613AM03	53,517
93.393	3600	UNIVERSITY OF CALIFORNIA DAVIS	20160369613AM04	74,465
93.393	3600	UNIVERSITY OF CALIFORNIA DAVIS	20160369613AM2	-11
93.393	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1557GVC172AM03	226,039
93.393	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1557GWA025AM02	175,536
93.393	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A200145S001P0726832	1,983
93.393	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	A200145S001P0726832AM0	8,683
93.393	3600	UNIVERSITY OF DELAWARE	44956AM04	14,860
93.393	3600	UNIVERSITY OF IOWA	S0135401AM01	78,384
93.393	3600	UNIVERSITY OF PITTSBURGH	AWD000006641328812AM01	13,977

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93.393	3600	UNIVERSITY OF UTAH	1004305702AM03	261,641
93.393	3600	UNIVERSITY OF VERMONT	AWD00000046SUB00000019	22,885
93.393	3600	UNIVERSITY OF WISCONSIN MADISON	0000000978	24,817
93.393	3600	WAKE FOREST UNIVERSITY	380101730114410AM02	4,915
93.394	3600	BAYLOR COLLEGE OF MEDICINE	PO7000000939AM02	43,937
93.394	3600	BOSTON MEDICAL CENTER	7621AM01	26,086
93.394	3600	CROSSLIFE TECHNOLOGIES INC	UW665758	62,947
93.394	3600	DOTQUANT LLC	UW661993	86,309
93.394	3600	DOTQUANT LLC	UW668669	74,773
93.394	3600	ECOG-ACRIN MEDICAL RESEARCH FOUNDATION	1671AM06	43,785
93.394	3600	EMORY UNIVERSITY	A352544AM05	32,680
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000988948AM01	17,907
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001002312	6,950
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001002346	9,883
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001006789	41,732
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001006855	6,950
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001011467	77,597
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001022829	9,723
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001030006	8,700
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001032636AM01	52,411
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001038347	98,840
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001038962AM01	63,824

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93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001038963	23,842
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001039282	24,253
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001039287AM01	221,527
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001052898	7,609
93.394	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001068927	62,200
93.394	3600	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	5710004063AM04	191,328
93.394	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1018110UWA	14,026
93.394	3600	PET/X LLC	A147966	178,305
93.394	3600	PRECISION SENSING LLC	A147966	60,568
93.394	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IG114SAVARDC3SIBCRM00	33,604
93.394	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	ME11ME12SIBCR	-2,297
93.394	3600	STANFORD UNIVERSITY	62539499182191	34,543
93.394	3600	STANFORD UNIVERSITY	62539499182191AM01	79,071
93.394	3600	TWIN STRAND BIOSCIENCE INC	AM01	54,088
93.394	3600	TWIN STRAND BIOSCIENCE INC	UW637711	27,509
93.394	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1557GVB811AM03	205,436
93.394	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10048SCAM04	31,928
93.394	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11124SCAM01	9,143
93.394	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11124SCAM02	42,851
93.394	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9770SCAM04	55,705
93.394	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	164145163478AM03	-134
93.394	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	168994168546AM01	3,909
93.394	3650	TULANE UNIVERSITY	TULHSC5585862021	140,524
93.395	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0129402S02	69,438

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93.395	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0307704S01	-7,830
93.395	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0307705S01	49,355
93.395	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	UW634898	-9,193
93.395	3600	DYNAFLOW INC	2M180221UWMOD02	16,777
93.395	3600	ECOG-ACRIN MEDICAL RESEARCH FOUNDATION	U10CA18082006WASH1CAM0	17,741
93.395	3600	ECOG-ACRIN MEDICAL RESEARCH FOUNDATION	U10CA18082006WASH2CAM0	8,184
93.395	3600	EMMES CORPORATION	13748	96,407
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000935334AM03	6,587
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000979045AM01	2,066
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000983567AM02	7,037
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000988950	-190
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000998310	1,405
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001015476	-10,071
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001016826	18,428
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001017686AM01	5,966
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001020248AM01	23,948
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001021039	3,952
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028258	62,463
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001031913	25,585



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93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001034422AM01	2,388
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001041275	11,756
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001051807	257,712
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001059916	17,850
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001060555	3,766
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0000984625	-294
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001025679MOD01	3,965
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW663074	44,740
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW663076	99,198
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW663179	4,875
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW663394	16,983
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW663618	8,063
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW663621	80,956
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW663897	9,731
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW663936	6,048
93.395	3600	GEORGIA INSTITUTE OF TECHNOLOGY	AWD102398G1AM03PO50066	29,495
93.395	3600	ITHAX PHARMACEUTICALS, INC.	A151430AM001	20,326
93.395	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013080UWAAM01	28,787
93.395	3600	PAI LIFE SCIENCES INC	UW662579	278,118
93.395	3600	SEATTLE CHILDREN'S HOSPITAL	11512SUBMOD05	38,917
93.395	3600	SEATTLE CHILDREN'S HOSPITAL	11539SUB	116,109

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93.395	3600	SEATTLE CHILDREN'S HOSPITAL	11539SUBMOD04	106,265
93.395	3600	SEATTLE CHILDREN'S HOSPITAL	11540SUBMOD05	2,567
93.395	3600	SEATTLE CHILDREN'S HOSPITAL	11572SUBMOD06	36,431
93.395	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW217BW22SIBCR	3,972
93.395	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW217BW23SIBCRM01	2,480
93.395	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1568GXA118AM01	10,798
93.395	3650	SEATTLE CHILDREN'S RESEARCH	11515SUB	138,177
93.396	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	01061457AM01	126,162
93.396	3600	NEW YORK UNIVERSITY SCHOOL OF MEDICINE	18A1001000999AM04	80,991
93.396	3600	OHIO STATE UNIVERSITY	60068579AM01	102,453
93.396	3600	SEATTLE CHILDREN'S HOSPITAL	12288SUBMOD01	15,331
93.396	3600	STANFORD UNIVERSITY	62435605142396	22,504
93.396	3600	THOMAS JEFFERSON UNIVERSITY	08003800S37701AM01	17,986
93.396	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1719GXB208AM01	113,326
93.396	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5116558	30,322
93.396	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5118527	66,924
93.396	3650	THOMAS JEFFERSON UNIVERSITY	080038000S37701	22,447
93.397	3600	FRED HUTCH/UNIVERSITY OF WASHINGTON CANCER CONSORTIUM	UW669477	26,713
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000958170AM03	11,795
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000979143	-1,368
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001002655	32,401
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001016340	3,240
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001016345	29,146

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93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001016348	11,140
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001016367	14,876
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001016371	15,151
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001016418AM01	40,208
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001017915	1,696
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028344AM01	40,120
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028374AM01	14,046
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028734AM02	12,114
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028734AM04	14,617
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028744AM02	13,928
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028744AM04	10,053
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028745AM03	26,449
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028745MOD02	19,466
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028746AM03	22,471
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028746AM05	14,296
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028747	96,852
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028747AM02	85,071
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028765AM02	24,664
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028765AM03	14,803

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93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028774	39,550
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028781	14,166
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028805AM01	15,957
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028805AM03	15,923
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028806AM01	6,789
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028806AM03	6,846
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029054	40,055
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029270AM01	58,724
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029270AM03	106,616
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029409AM01	79,665
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029409AM03	76,494
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029410AM01	382,423
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029410AM03	183,574
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029411AM01	55,565
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029411AM02	40,111
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029412AM01	174,786
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029424	20,322
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001030056AM02	21,589

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93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001030056AM04	21,589
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001030088AM01	38,539
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001030088AM03	38,188
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001030108	6,844
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001030108AM02	6,844
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001030730AM01	25,517
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001031377	16,782
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001031378AM01	13,183
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001032111	2,754
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001032163AM01	48,998
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001032202	52,079
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001032267	22,785
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001033209	10,836
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001033978	40,997
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001040697	131,602
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001041996	27,523
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001042103	12,234
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001042104	36,091
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001042506	19,767

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93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001045298	40,000
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001045616	7,804
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001045887	1,903
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001046155	33,398
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001047852AM03	7,417
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001060853	24,594
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001060859	231,028
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001060860	81,142
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001061291	161,947
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001062188	69,740
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001062578	81,098
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001069011	34,950
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001069082	11,575
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001069446	35,179
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001070402	64,690
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001070947	39,918
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001070948	33,230
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001071115	22,000

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93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001071116	19,388
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001071700	20,300
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001071701	13,453
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001077718	650
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	001070985	36,998
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW669966	30,631
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW684591	3,634
93.397	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20180009AM03	25,378
93.397	3600	NATL INST OF HLTH	0001071117	4,122
93.397	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU20252	481
93.398	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001016440	92,503
93.398	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001056254AM01	68,500
93.399	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	3004538756AM05	136,558
93.421	3600	COUNCIL OF STATE & TERRITORIAL EPIDEMIOLOG	V178142020	9,258
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	C1440AM02	54,813
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1288AM2	-168
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1290AM1	-4,083
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1291AM2	4,795
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1468AM01	41,444
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1511AM02	142,596

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93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1528MOD01	50,363
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1751	265,023
93.421	3600	NATIONAL NETWORK OF PUBLIC HEALTH INST	G1780AM01	50,273
93.421	3600	NATL ASSOC OF CHRONIC DISEASE DIRECTORS	0052020	104,547
93.421	3600	NATL ASSOC OF CHRONIC DISEASE DIRECTORS	1462021	51,985
93.421	3600	NATL ASSOC OF CHRONIC DISEASE DIRECTORS	1712021	46,986
93.421	3600	NATL ASSOC OF CHRONIC DISEASE DIRECTORS	3482020	24,440
93.421	3600	NATL ASSOC OF CNTY & CITY HEALTH	2021040802	893
93.421	3600	SOC FOR PUBLIC HEALTH EDUC	UW669784	60,341
93.421	3600	UNIVERSITY OF VERMONT	AWD00000288SUB00000139	24,227
93.433	3600	CARNEGIE MELLON UNIVERSITY	1090604422918	76,819
93.433	3600	CRAIG HOSPITAL	2694UWBY2	23,394
93.433	3600	CRAIG HOSPITAL	2694UWBY2AM03	38,566
93.433	3600	CRAIG HOSPITAL	2694UWBY3AM03	35,486
93.433	3600	INDIANA UNIVERSITY	8699	5,501
93.433	3600	MEMORIAL HERMANN HEALTH SYSTEM	2020YR31800UWASHADAPAR	407
93.433	3600	MEMORIAL HERMANN HEALTH SYSTEM	2021YR41800UWASHINGTON	4,127
93.433	3600	SHIRLEY RYAN ABILITYLAB	7258AM01	72,906
93.433	3600	SHIRLEY RYAN ABILITYLAB	7258AM02	208,955
93.433	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000513370002A05	30,332
93.433	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000513370002AM04	9,800
93.434	3650	IDAHO ASSOC FOR ED YOUNG CHI	138375001	58,271
93.508	3600	UNITED INDIANS OF ALL TRIBES FOUNDATION	A71880MOD11	42,050
93.527	3600	KING COUNTY	3965CHS	-411
93.527	3600	KING COUNTY	5124CHS	60,182
93.556	3700	Idaho Dept of Health & Welfare	KC267300	24,287



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93.556	3700	Idaho Dept of Health & Welfare	KC281800	178,084
93.558	6990	LEP Pathway	1965-57676	518,092
93.558	6990	Work First	2642	9,826,367
93.558	6990	Workfirst FY20	2550	80,433
93.576	6990	DSHS Serv CLEVER	2065-62923	63,038
93.600	3600	FOND DU LAC TRIBAL AND COMMUNITY COLLEGE	1	47,044
93.600	3600	ZERO TO THREE	2019100011	97,983
93.600	3600	ZERO TO THREE	2019100012A01	286,366
93.600	3600	ZERO TO THREE	2019100018	59,218
93.600	3600	ZERO TO THREE	2020100041	1,805,971
93.600	6990	Olympic ESD	HEADSTART	486,136
93.600	6990	PSD	1550	205,878
93.600	6990	Puget Sound ESD	09854	2,854,561
93.600	6990	Puget Sound ESD	EARLY HEAD START	114,111
93.600	6990	Puget Sound ESD	HEADSTART	73,961
93.652	3600	SPAULDING FOR CHILDREN	AM01	202,938
93.652	3600	SPAULDING FOR CHILDREN	UW660712	79,078
93.652	3600	SPAULDING FOR CHILDREN	UW661244	8,082
93.652	3600	SPAULDING FOR CHILDREN	UW661680	14,749
93.652	3600	SPAULDING FOR CHILDREN	UW667780	27,849
93.658	3700	Idaho Dept of Health & Welfare	KC278400 Amend 3	386,347
93.658	3700	Idaho Dept of Health & Welfare	KC279000 Amend 2	1,235,773
93.658	3700	Idaho Dept of Health & Welfare	KC287600	74,040
93.772	3600	CHEROKEE NATION PUBLIC HEALTH	PO237271AM01	93,469
93.788	3600	UNIVERSITY OF MISSOURI KANSAS CITY	0010312300070912	4,054
93.788	3600	UNIVERSITY OF MISSOURI KANSAS CITY	0010341500070912	118,789
93.825	3600	NEW YORK CITY HEALTH AND HOSPITALS	UW665721	14,828

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93.825	3600	NEW YORK CITY HEALTH AND HOSPITALS	UW684048	92,327
93.825	3600	UNIVERSITY OF NEBRASKA	3412093001002	217,262
93.837	3600	ARIZONA STATE UNIVERSITY	ASUB00000241AM02	22,731
93.837	3600	BRIGHAM AND WOMEN'S HOSPITAL	PS224978MOD07	9,478
93.837	3600	COLUMBIA UNIVERSITY	1GG01099807AM05	12,499
93.837	3600	COLUMBIA UNIVERSITY	3GG01104605AM04	48,905
93.837	3600	CURI BIO	UW666593	75,605
93.837	3600	DREXEL UNIVERSITY	900087	10,534
93.837	3600	DUKE CLINICAL RESEARCH INSTITUTE (DCRI)	177494218214226028AM03	17,352
93.837	3600	DUKE UNIVERSITY	A032471AM02	138,437
93.837	3600	DUKE UNIVERSITY	A033025AM01	160,932
93.837	3600	HABIT DESIGN INC	A138591	91,772
93.837	3600	HARVARD UNIVERSITY	1645925111972AM03	80,840
93.837	3600	JOHNS HOPKINS UNIVERSITY	2004073037AM01	319
93.837	3600	JOHNS HOPKINS UNIVERSITY	2004073037AM02	28,340
93.837	3600	JOHNS HOPKINS UNIVERSITY	2004772455	32,611
93.837	3600	JOHNS HOPKINS UNIVERSITY	2004788713	41,908
93.837	3600	KAISER PERMANENTE	OOS030150UOW02AM06	81,848
93.837	3600	LUNDQUIST INSTITUTE FOR BIOMEDICAL	3147001UWPO	13,702
93.837	3600	MASSACHUSETTS GENERAL HOSPITAL	236957	40,959
93.837	3600	MICHIGAN STATE UNIVERSITY	RC109668UWAM01	3,049
93.837	3600	NEW ENGLAND RESEARCH INSTITUTES, INC. (NERI)	MOD05	49,771
93.837	3600	NORTHWESTERN UNIVERSITY	60043933UWA04	41,363
93.837	3600	OHIO STATE UNIVERSITY	60071065AM01	1,370
93.837	3600	OHIO STATE UNIVERSITY	60071090AM01	-419
93.837	3600	OHIO STATE UNIVERSITY	60073569	-1,977
93.837	3600	OHIO STATE UNIVERSITY	60077277AM03	271,622

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93.837	3600	OHIO STATE UNIVERSITY	60077278AM03	17,026
93.837	3600	OHIO STATE UNIVERSITY	GR119787AM03	6,600
93.837	3600	RTI INTERNATIONAL	7312021703065767LMOD01	534
93.837	3600	RTI INTERNATIONAL	7312021703065767LMOD02	19,271
93.837	3600	SEATTLE CHILDREN'S HOSPITAL	11351SUBMOD09	53,914
93.837	3600	SEVEN BRIDGES GENOMICS INC	AMENDMENT4	151,604
93.837	3600	SEVEN BRIDGES GENOMICS INC	AMENDMENT6	194,778
93.837	3600	THE LUNDQUIST INSTITUTE AT HARBOR - UCLA MEDICAL CENTER	3147001UWPO	4,564
93.837	3600	THE LUNDQUIST INSTITUTE AT HARBOR - UCLA MEDICAL CENTER	UW633905	4,568
93.837	3600	THOMAS JEFFERSON UNIVERSITY	08018007S27801AM04	183,987
93.837	3600	TUFTS UNIVERSITY	10174200001HH5920AM04	133,022
93.837	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	122387691POS9002468AM0	102,671
93.837	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9102SCAM05	85,535
93.837	3600	UNIVERSITY OF CHICAGO	FP06534702PRAM02	55,301
93.837	3600	UNIVERSITY OF ILLINOIS CHICAGO	1735601	10,373
93.837	3600	UNIVERSITY OF IOWA	S0045001AM02	23,978
93.837	3600	UNIVERSITY OF IOWA	S0045001AM03	3,493
93.837	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	SUBK00012868AM01	171
93.837	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5113177AM02	32,645
93.837	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5120343	21,252
93.837	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	0012348CAM02	3,753
93.837	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	0013892AAM01	41,703
93.837	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH	218518601	192,877
93.837	3600	UNIVERSITY OF VIRGINIA	GB10586159200AM01	2,348
93.837	3600	UNIVERSITY OF WISCONSIN MADISON	867K764AM2	13,084
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC58612AM06	3,558

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93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC59443AM04	-344
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC59443AM05	12,167
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC59733	595
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC59733AM05	89
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC59733AM07	681,881
93.837	3600	YALE UNIVERSITY	GR105731CON80001726AM0	143,204
93.837	3650	UNIVERSITY OF ARIZONA	599745	6,169
93.837	3650	UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION	320000360821114	122,119
93.838	3600	ARIZONA STATE UNIVERSITY	ASUB00000775	4,427
93.838	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0164101S01	66,289
93.838	3600	CINCINNATI CHILDREN'S HOSP MEDICAL CTR	303862AM03	147,211
93.838	3600	CINCINNATI CHILDREN'S HOSP MEDICAL CTR	303862AM1	9,538
93.838	3600	COLUMBIA UNIVERSITY	2GG01166201AM03	12,290
93.838	3600	COLUMBIA UNIVERSITY	2GG01278210AM03POG1460	60,699
93.838	3600	COLUMBIA UNIVERSITY	32GG01599701POG15284AM	81,663
93.838	3600	COLUMBIA UNIVERSITY	4GG01091905AM06	35,083
93.838	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001054456AM01	89,716
93.838	3600	INTERMOUNTAIN HEALTHCARE INC	AM03	3,005
93.838	3600	MASSACHUSETTS GENERAL HOSPITAL	229960MOD04	-60,142
93.838	3600	MASSACHUSETTS GENERAL HOSPITAL	236477	73,903
93.838	3600	MASSACHUSETTS GENERAL HOSPITAL	236620	74,185
93.838	3600	NORTHSHORE UNIVERSITY HEALTHSYSTEM FNDN	EH17325S4AM03	48,179
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1018872UWA	117,509
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1019395UWAAM01	24,388
93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY (OHSU)	1018896001UWAAM02	12,668

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93.838	3600	OREGON HEALTH & SCIENCE UNIVERSITY (OHSU)	1018896002UWAAM02	46,525
93.838	3600	UNIVERSITY OF IOWA	S0006202AM04	109,836
93.838	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5116145	9,852
93.838	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5119022AM01	61,825
93.838	3600	UNIVERSITY OF PITTSBURGH	CNVA0004669113310629AM	1,632
93.838	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19105MOD2	29,461
93.838	3600	WEILL MEDICAL COLLEGE OF CORNELL UNIV	1911564AM02	11,317
93.839	3600	BLOODWORKS NORTHWEST	883UW2019AM02	51,863
93.839	3600	BLOODWORKS NORTHWEST	895UW2020AM01	104,023
93.839	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000951722AM02	23,506
93.839	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000998786AM01	148,136
93.839	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001002754AM002	153,044
93.839	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001021336	89,154
93.839	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029239	271,225
93.839	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001034329	49,045
93.839	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW684545	19,713
93.839	3600	JOHNS HOPKINS UNIVERSITY	2004868647	27,683
93.839	3600	OPTICYTE INC	AM02	294,022
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12145SUBMOD01	10,789
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12146SUB1	-351
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12265SUBMOD01	68,859
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12393SUB	30,337
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	12394SUBMOD01	112,622

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93.839	3600	UNIVERSITY OF CHICAGO	FP066598BAM03	15,302
93.839	3600	UNIVERSITY OF CHICAGO	FP066598DAM03	126
93.839	3600	UNIVERSITY OF COLORADO	FY18878004FY20878004AM	157,402
93.839	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5112806AM02	58,964
93.839	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	133486398PO50905803	341,300
93.839	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	75103107AM05	111,757
93.839	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	0013267DAM01	-2,444
93.839	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	SA0000420	58,529
93.839	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	SA0000533AM02	113,089
93.839	3600	UNIVERSITY OF VERMONT	33108SUB52859AM01	65,632
93.839	3600	VITALANT RESEARCH INSTITUTE	11685UW147AM02	18,790
93.840	3600	MOZAMBIQUE INST FOR HEALTH EDUC AND RSCH	C0013	84,701
93.840	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	AD226SHAHRS2SIBCR	10,235
93.846	3600	HEBREW REHABILITATION CENTER	90077AM03	73,441
93.846	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	025512914609AM01	-6,709
93.846	3600	IN SITU THERAPEUTIC SOLUTIONS INC	UW660355	67,342
93.846	3600	JOHNS HOPKINS UNIVERSITY (JHU)	2004829001MOD01	64,117
93.846	3600	SEATTLE CHILDREN'S HOSPITAL	12568SUB	73,278
93.846	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LW143LW11SIBCR	26,977
93.846	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	LW143UW1	62,620
93.846	3600	UNIVERSITY OF CALIFORNIA IRVINE	20211473	14,027
93.847	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	310859AM10	74,042
93.847	3600	ALTIS BIOSYSTEMS INC	UW663868	237,071
93.847	3600	ALTIS BIOSYSTEMS INC	UW666140	126,097
93.847	3600	ARIZONA STATE UNIVERSITY	16924AM05	7,835
93.847	3600	AUGUSTA UNIVERSITY	3230734AM01	-6
93.847	3600	AUGUSTA UNIVERSITY	3230749	34,437

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93.847	3600	AUGUSTA UNIVERSITY	3230782	61,579
93.847	3600	BAYLOR COLLEGE OF MEDICINE	7000000980AM01	37,852
93.847	3600	BROWN UNIVERSITY	00001054AM03	22,585
93.847	3600	BROWN UNIVERSITY	00001250AM03	36,010
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	1329SUBAM03	3,212
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	1348SUBAM03	791
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	1413SUBAM04	89,810
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	RES515409AM02	306,933
93.847	3600	CROSSLIFE TECHNOLOGIES INC	UW662724	61,030
93.847	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028807	3,782
93.847	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001045697AM01	89,014
93.847	3600	GEORGE WASHINGTON UNIVERSITY	SDPP2021JC02	216,896
93.847	3600	HEALIONICS CORPORATION	UW637175	-420
93.847	3600	JAEB CENTER FOR HEALTH RESEARCH, INC. (JCHR)	AM01	246,179
93.847	3600	JOHNS HOPKINS UNIVERSITY	2003992125AM02	34,834
93.847	3600	KAISER FOUNDATION RESEARCH INSTITUTE	2019117057	-6,318
93.847	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG003044BUDG03UW03AM0	971
93.847	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG003044UWDREWNOWSKI	139,798
93.847	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG003044UWVERNEZMOUDO	43,605
93.847	3600	KAISER PERMANENTE	CS113409UOWOOS030112AM	2,125
93.847	3600	LIVER INSTITUTE NORTHWEST	LIN91306401AM01	24,596
93.847	3600	MASSACHUSETTS GENERAL HOSPITAL	226142AM12	3,734
93.847	3600	MASSACHUSETTS GENERAL HOSPITAL	235385AM01	55,932
93.847	3600	MASSACHUSETTS GENERAL HOSPITAL	238171	5,618
93.847	3600	NORTHERN CALIFORNIA INST FOR RSCH & EDUC	SCH228401	20,030
93.847	3600	PLANET BIOTECHNOLOGY INC	1R41DK12293301A1	190,589

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93.847	3600	SEATTLE CHILDREN'S HOSPITAL	11097SUBMOD06	21,796
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	11334SUBMOD04	629
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	12199SUBMOD02	155,957
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	12402SUB	763,291
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	12402SUBMOD01	49,615
93.847	3600	SEATTLE CHILDREN'S HOSPITAL	UW638893	137
93.847	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	12402SUB	49,926
93.847	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	12402SUBMOD01	2,733
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ211BJ23SIBCR	5,909
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ211BJ24SIBCR	5,614
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ211SIKKEC2SIBCR	723
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BJ211SIKKEC3SIBCR	4,569
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	HR15HR110SIBCR	15,877
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	HR15HR19SIBCRM01	15,878
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS121BE110SIBCR	7,426
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS121BE111SIBCR	5,136
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS121SOCHAJ11SIBCRM00	54,006
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS141UW8AM01	2,592
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS141WFUKS15SIBCR	1,776
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS16KS110SIBCR	13,265
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS16KS111SIBCR	6,497
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS16LOVATC10SIBCR	3,893
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS16LOVATC11SIBCR	2,781
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PJ115BROOKB5SIBCR	11,165
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PJ115BROOKB6SIBCR	24,564
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PJ115PJ15SIBCR	5,304
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PJ115PJ16SIBCR	13,083



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<b>Federal Catalog No.</b>	<b>State Agency No.</b>	<b>Pass-Through Entity Name</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PJ116BROOKB5SIBCR	9,505
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PJ116BROOKB6SIBCR	20,098
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PJ116PJ15SIBCR	11,072
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PJ116PJ16SIBCR	22,274
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEKS18SIBCR	2,146
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEKS19SIBCR	17,715
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEUK16SIBCR	864
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEUK17SIBCR	9,505
93.847	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UK1GRADEWL15SIBCR	11,945
93.847	3600	TUFTS MEDICAL CENTER	5013848SERVAM03	3,005
93.847	3600	TUFTS MEDICAL CENTER	5013848SERVAM04	51,632
93.847	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524405SC004	5,239
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10309SCAM03	6,625
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10321SCAM03	34,594
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10863SCAM03	171,741
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11740SC	59,038
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11740SCAM01	444,992
93.847	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	8379SCAM075R01DK098233	429
93.847	3600	UNIVERSITY OF CALIFORNIA, LOS ANGELES (UCLA)	1560BXA422AM02	891
93.847	3600	UNIVERSITY OF CHICAGO	FP06836601IAM02	131,198
93.847	3600	UNIVERSITY OF COLORADO	FY18896006PROJ255M8526	-13
93.847	3600	UNIVERSITY OF HAWAII	KA1459AM03	34,988
93.847	3600	UNIVERSITY OF HAWAII	KA1462AM02	34,067
93.847	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	3005085721AM01	6,998
93.847	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00011237AM02	3,984
93.847	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00011237AM03	2,381
93.847	3600	UNIVERSITY OF MINNESOTA	N006254903AM03	82,103

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93.847	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5119779	139
93.847	3600	UNIVERSITY OF PITTSBURGH	AWD000004171327234	-3,525
93.847	3600	UNIVERSITY OF PITTSBURGH	AWD000004171327234AM03	-1,911
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6163108200AD	2,361
93.847	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	168717168716AM01	30,794
93.847	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL	GMO161129PO000000975E	2,548
93.847	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL	GMO161129PO000000975FA	3,120
93.847	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL	GMO200501PO0000001992	227,611
93.847	3600	VETERANS MEDICAL RESEARCH FOUNDATION	096530002323581AM03	11,989
93.847	3600	VETERANS MEDICAL RESEARCH FOUNDATION	096530003324881AM04	29,679
93.847	3600	VETERANS MEDICAL RESEARCH FOUNDATION	098750002324153AM01	50,977
93.847	3600	WAKE FOREST UNIVERSITY	19100710118241AM07	60,949
93.847	3650	MCLEAN HOSPITAL	401536	135,092
93.847	3650	PENNINGTON BIOMEDICAL RESEARCH	R01DK108765S001	154,829
93.847	3650	UNIVERSITY OF COLORADO	FY17001016	34,833
93.847	3650	UNIVERSITY OF PENNSYLVANIA	575452	76,170
93.847	3650	UNIVERSITY OF SOUTHERN CALIFORNIA	RGF010786A	77,074
93.853	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	01061832	1
93.853	3600	BUCK INSTITUTE FOR RESEARCH ON AGING	SA15008UW	12,878
93.853	3600	BUCK INSTITUTE FOR RESEARCH ON AGING	SA15008UWPO64053AM04	62,642
93.853	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S397592AM02	12,433
93.853	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S397592AM04	502,687
93.853	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	S407472AM03	210,529
93.853	3600	CHILDREN'S HOSPITAL LOS ANGELES	000013147GAM01	23,903
93.853	3600	CHILDREN'S HOSPITAL LOS ANGELES	000013150AAM01	54,189
93.853	3600	CLEVELAND CLINIC FOUNDATION	1482SUB	32,891

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93.853	3600	COLUMBIA UNIVERSITY	1GG01200602AM04	-74
93.853	3600	COLUMBIA UNIVERSITY	1GG01200603AM05	256,628
93.853	3600	DUKE UNIVERSITY	3021754AM01	14,896
93.853	3600	EMORY UNIVERSITY	A302023	72,814
93.853	3600	EMORY UNIVERSITY	A365374	36,438
93.853	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001069151	20,736
93.853	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001076616	1,483
93.853	3600	HARVARD UNIVERSITY	14942051049390302AM02	-24
93.853	3600	HARVARD UNIVERSITY	14942051049390402AM03	108,394
93.853	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C8014609AM03	284,234
93.853	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C8014609AM2	64,517
93.853	3600	JOHNS HOPKINS UNIVERSITY	2003445452AM03	7,837
93.853	3600	JOHNS HOPKINS UNIVERSITY	2004815974	94,592
93.853	3600	MASSACHUSETTS GENERAL HOSPITAL	232940AM03	178,449
93.853	3600	MASSACHUSETTS GENERAL HOSPITAL	233481AM001	45,507
93.853	3600	MAYO CLINIC	WAS22406304AM04	1,182
93.853	3600	MAYO CLINIC	WAS232483AM03	6,239
93.853	3600	MEDICAL COLLEGE OF WISCONSIN	PRIME1R01NS11085601	-18,942
93.853	3600	MEDICAL COLLEGE OF WISCONSIN	PRIME5R01NS11085602	84,754
93.853	3600	NORTHWESTERN UNIVERSITY	60043694UWA03	-5,269
93.853	3600	NORTHWESTERN UNIVERSITY	60043694UWAMA04	58,804
93.853	3600	NORTHWESTERN UNIVERSITY	60054064WASHAMA02	132,411
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1012547UWAAM02	40,161
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013756UWAAM01	39,659
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013756UWAAM02	202,982
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1015158UW	2,365
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1015158UWAM01	26,016

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93.853	3600	PET/X LLC	201701A121200	-1
93.853	3600	SEATTLE CHILDREN'S HOSPITAL	11480SUBMOD04	35,475
93.853	3600	SEATTLE CHILDREN'S HOSPITAL	11713SUBMOD04	4,625
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	DM24UW1	5,557
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ23IJ21SIBCR	4,647
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ23IJ22SIBCR	16,993
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ23JANSSD2SIBCRM01	10,461
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ23WANGM1SIBCR	9,418
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ23WANGM2SIBCRM01MOD	38,666
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB26BBENBOS1SIBCR	20,869
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE154PE14SIBCR	11,437
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE154PE15SIBCR	7,485
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE154SIKKEC1SIBCR	21,870
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD116HS23SIBCR	3,005
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD116HS24SIBCRM01	11,413
93.853	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	UC1LJ16BHS23SIBCRM01	-527
93.853	3600	STANFORD UNIVERSITY	61311385124387AM06	2,167
93.853	3600	STANFORD UNIVERSITY	61855870125439AM05	24,021
93.853	3600	UNIVERSITY OF CALIFORNIA DAVIS	A211324S007	20,263
93.853	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1580GYB506AM01	336,904
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10945SC	15,772
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10945SCAM02	88,336
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11037SC	44,970
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	7891SCAM11	443
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	9670SCAM08	284,326
93.853	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	UW639582	600
93.853	3600	UNIVERSITY OF CINCINNATI	010785135574AM02	11,464
93.853	3600	UNIVERSITY OF CINCINNATI	011266135574AM01	-227

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93.853	3600	UNIVERSITY OF CINCINNATI	011337135574AM01	20,433
93.853	3600	UNIVERSITY OF CINCINNATI	012043135574	3,187
93.853	3600	UNIVERSITY OF CINCINNATI	012044135574AM01	1,505
93.853	3600	UNIVERSITY OF CINCINNATI	012340135574	5,777
93.853	3600	UNIVERSITY OF CONNECTICUT	428629	90,667
93.853	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00007467AM02	348,024
93.853	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK10405CSPR002	53,209
93.853	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK10405CSPR002AM02	335
93.853	3600	UNIVERSITY OF MINNESOTA	N008333201	18,211
93.853	3600	UNIVERSITY OF MINNESOTA	N008333201AM01	43,333
93.853	3600	UNIVERSITY OF PENNSYLVANIA	567147	5,269
93.853	3600	UNIVERSITY OF PENNSYLVANIA	576480AM02	36,300
93.853	3600	UNIVERSITY OF PENNSYLVANIA	578474	24,480
93.853	3600	UNIVERSITY OF PENNSYLVANIA	580573AM02	57,565
93.853	3600	UNIVERSITY OF ROCHESTER	417793URFAOGR510748AM0	-16,036
93.853	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	131551397	6,749
93.853	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	136560897AM01	16,199
93.853	3600	UNIVERSITY OF TENNESSEE	204448UWAAM02	140,521
93.853	3600	UNIVERSITY OF TENNESSEE	213056UWAAM03	85,780
93.853	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	166222165999	11,336
93.853	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	168355168352	117,564
93.853	3600	UNIVERSITY OF WISCONSIN MADISON	0000000112MODO1	6,053
93.855	3600	ANTIGEN DISCOVERY INC	ADIUW2020001AM01	51,040
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0121304S01	149
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0121305S01	217,196
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0121404S01	1,531

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93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0121405S01	132,852
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0121704S02	315
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0121705S02	124,845
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0129202S01	49,860
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0135002S01A01AM01	726,934
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY19ITN318AM02	149,264
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY20ITN293AM02	24,528
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY20ITN361	90,119
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY20ITN404	8,500
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY20ITN420	130,281
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN293FY20ITN293AM	17,520
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN387AM01	83,819
93.855	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	FY21ITN474	7,987
93.855	3600	BRIGHAM AND WOMEN'S HOSPITAL	PS232251MOD03	696
93.855	3600	CASE WESTERN RESERVE UNIVERSITY	RES510939AM04	735,946
93.855	3600	COLUMBIA UNIVERSITY	1GG01523201AM01	24,003
93.855	3600	DUKE UNIVERSITY	A031858	279
93.855	3600	EMORY UNIVERSITY	A011120AM03	177,373
93.855	3600	EMORY UNIVERSITY	A263429	279,687
93.855	3600	EMORY UNIVERSITY	A390459AM01	201,494
93.855	3600	EMORY UNIVERSITY	A400416AM01	129,491

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93.855	3600	EMORY UNIVERSITY	A413725	2,568
93.855	3600	EMORY UNIVERSITY	A416500	138,876
93.855	3600	FHI360	PO20002829MOD02	68,175
93.855	3600	FHI360	PO21000543	19,710
93.855	3600	FHI360	POUS00242MOD19	13,961
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	00001033611	16,639
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000962047AM02	101,434
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000962048AM02	18,076
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000981927AM02	-6,908
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000985277AM02	-821
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000986153	-126
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000994797	-1,217
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000994984	-536
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000996045AM01	8,408
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001001217	-367
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001009315AM01	4,296
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001009329AM02	207,917
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001009383AM01	222,058
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001011527	88,353
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001011592AM01	184,361

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93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001012166AM01	110,309
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001012195AM01	237,971
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001012210AM01	550,706
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001012213	23,300
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001012270	198,958
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001012286	201,901
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001012355AM02	76,309
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001012526AM01	30,047
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001013124AM01	28,117
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001013125AM01	56,888
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001013815AM01	14,943
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001013910AM01	31,454
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001014198AM01	109,878
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001015916AM02	80,238
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001020283AM02	25,696
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001022939AM01	56,653
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001022939AM02	33,707
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001024201AM01	43,138



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93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001024201AM02	14,831
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028296	200,448
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028430	16,421
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001028526AM02	200,150
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029242	22,414
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029242AM02	2,040
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001029821AM01	218,544
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001034096	194,157
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001034464	1,238,810
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001035447	12,764
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001036429	2,584
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001037245	18,644
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001037247	187,488
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001037336AM02	241,618
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001037385	80,642
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001037385AM01	185,552
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001037495	193,961
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001039238	290,356
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001039732	7,959

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93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001040438AM01	133,787
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001040489AM01	22,273
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001042324AM02	1,232,286
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001044376AM001	444,874
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001046141	30,118
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001051705	42,153
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001051747AM01	220,160
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001051757AM01	264,434
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001051952	38,761
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001055535AM01	138,852
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001058261	135,362
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001058324	51,449
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001060397	131,303
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001061258AM01	161,125
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001061297AM02	159,463
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001061302AM02	57,499
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001061398	161,628
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001063058	14,589

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93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001065948	33,258
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001066781AM02	88,607
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001069954	99,493
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001071171	24,329
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	UW639484	206
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	0001062472AM01	17,274
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW686167	1,925,216
93.855	3600	GEORGE WASHINGTON UNIVERSITY	20M23AM01	33,051
93.855	3600	GEORGIA STATE UNIVERSITY	SP0001367302AM01	16,361
93.855	3600	GEORGIA STATE UNIVERSITY	SP0001439601	86,068
93.855	3600	HARVARD UNIVERSITY	15241651194570021	3,043
93.855	3600	HOSPITAL FOR SICK CHILDREN	6610100083AM5	-632
93.855	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255C1604609	80,296
93.855	3600	INDIANA UNIVERSITY	8133UW	65,442
93.855	3600	INST FOR CLINCAL EFFECTIVENESS & HEALTH	TBC2019UOW	-256
93.855	3600	INST FOR CLINCAL EFFECTIVENESS & HEALTH	TBC2020UOW	304,837
93.855	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20210003	1,918
93.855	3600	ITHAX PHARMACEUTICALS, INC.	AM01	52,010
93.855	3600	JOHNS HOPKINS UNIVERSITY	2003036376AM12	751,170
93.855	3600	JOHNS HOPKINS UNIVERSITY	LDR01MOD09PO200213114	15,440
93.855	3600	JOHNS HOPKINS UNIVERSITY	LDR02MOD02PO200490806	21,626
93.855	3600	JOHNS HOPKINS UNIVERSITY	PO2004659507	19,890
93.855	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210453BUDG01UW00	7,916
93.855	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG210453UWAM01	8,260
93.855	3600	LUMEN BIOSCIENCE, INC.	UW632645	65,250

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93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE & FNDN	4695AM03	28,009
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE & FNDN	9155AM02	349,038
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE & FNDN	9645	81,336
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE & FNDN	9704AM01	27,779
93.855	3600	MONTANA STATE UNIVERSITY	G16418W7010AM05	103,781
93.855	3600	OHIO STATE UNIVERSITY	60062782AM03	198,535
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013170UWA	93,052
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1013170UWAAM03	958
93.855	3600	OREGON STATE UNIVERSITY	P0515AA	34,197
93.855	3600	ORLANCE INC	A147555MOD01	244,349
93.855	3600	ORLANCE INC	MOD02	-95
93.855	3600	ORLANCE INC	MOD03	62,677
93.855	3600	ORLANCE INC	UW662945	466,752
93.855	3600	ORLANCE INC	UW665985	95,512
93.855	3600	RESEARCH FOUNDATION FOR STATE UNIV OF NY	R1142049AM02	109,068
93.855	3600	RHODE ISLAND HOSPITAL	7137555AM01	6,577
93.855	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	0884MOD01PO1277891	-1,500
93.855	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	1391MOD01	12,103
93.855	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	1626PO1389584	207,552
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11415SUBAM04	14,069
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11645SUBMOD03	393,636
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11645SUBMOD3	71,180
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11670SUBMOD03	58,875
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11671SUBMOD03	88,566
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11917SUBMOD04	110,641

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93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11927SUBMOD03	40,233
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	11972SUBMOD03	40,947
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12175SUBMOD01	50,169
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12175SUBMOD02	156,100
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12179SUBMOD01	142,062
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12234SUBMOD01	479,550
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12260SUB	493,574
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12273SUBMOD01	123,535
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12331SUB	46,219
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12352SUB	30,686
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12353SUB	37,775
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12366SUB	19,986
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12372SUB	2,738
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12489SUB	17,316
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12490SUB	48,141
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12491SUB	16,635
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12509SUB	109,187
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12538SUB	138,484
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12544SUB	233,157
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	12550SUB	11,215
93.855	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE (SCRI)	12372SUB	6,674
93.855	3600	STATE UNIVERSITY OF NEW YORK BINGHAMTON	90654UNIVOFWASHINGTON	12,606
93.855	3600	STELLENBOSCH UNIVERSITY	S006256	47,249
93.855	3600	TEMPLE UNIVERSITY	265708UWASH	34,622
93.855	3600	THERAPEUTIC SYSTEMS RESEARCH LABS	A119810AM03	157,626
93.855	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000510836006AM06	181,696
93.855	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000510836006AM08	673,029

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93.855	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000510836006AMA05	177,337
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1559GTA522AM09	-6,134
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1559GXG085	88,469
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560BWA953AM02	93,533
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560BXC603	47,434
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560GWA590AM02	129,600
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560GWB672AM04	26,262
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1560GYA816AM01	30,381
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1650GWA395AM07	157,937
93.855	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1650GYA480	37,532
93.855	3600	UNIVERSITY OF CALIFORNIA RIVERSIDE	S001012AM03	269,912
93.855	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	73440803AM004	26,021
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10019SCAM035R01AI09847	28,180
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10182SCAM05	26,541
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10182SCAM06	2,689
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10951SCAM02	81,996
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11003SCAM02	44,235
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11003SCAM03	79,971
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11313SCAM04	623,865
93.855	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12119SC	23,513
93.855	3600	UNIVERSITY OF CALIFORNIA, LOS ANGELES (UCLA)	1560BWA953AM01	99,151
93.855	3600	UNIVERSITY OF COLORADO	FY20349001AMD1	81,343
93.855	3600	UNIVERSITY OF IDAHO	CB2558SB897826AM04	24,482
93.855	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	OSP2018036AM04	93,082
93.855	3600	UNIVERSITY OF MASSACHUSETTS WORCESTER	OSP2018036AM06	368,193
93.855	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5114996	42,385

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93.855	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5118694AM01	273,672
93.855	3600	UNIVERSITY OF NOTRE DAME	203504UWAM02	111,367
93.855	3600	UNIVERSITY OF OKLAHOMA	202129	13,594
93.855	3600	UNIVERSITY OF PENNSYLVANIA	569316AM06	425,788
93.855	3600	UNIVERSITY OF PENNSYLVANIA	571209AM04	9,772
93.855	3600	UNIVERSITY OF PENNSYLVANIA	579787	116,189
93.855	3600	UNIVERSITY OF PITTSBURGH	AWD000026821349442	7,387
93.855	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH	208514301	51,595
93.855	3600	UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL	GMO180806AM03	291,937
93.855	3600	UNIVERSITY OF WISCONSIN MADISON	0000000248	23,601
93.855	3600	UNIVERSITY OF WISCONSIN MADISON	0000000807	140,859
93.855	3600	UNIVERSITY OF WISCONSIN MADISON	0000001055	14,547
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC74709AM01	152,927
93.855	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC85657	29,603
93.855	3600	WEILL CORNELL MEDICAL COLLEGE	2023132AM02	3,435
93.855	3600	WEILL MEDICAL COLLEGE OF CORNELL UNIV	2023132AM02	75,443
93.855	3650	ALBERT EINSTEIN COLLEGE OF MEDICINE	31162B	219,771
93.855	3650	INDIANA UNIVERSITY	IN4688954WSU	26,252
93.855	3650	MAYO CLINIC	WAS255636	232,657
93.855	3650	UNIVERSITY OF MINNESOTA	H004942302	104,676
93.855	3650	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5106846	4,650
93.855	3650	UNIVERSITY OF PRETORIA	MO070619	6,692
93.859	3600	CARNEGIE MELLON UNIVERSITY	1090654437057	166,445
93.859	3600	DUKE UNIVERSITY	A032217AM01	144,330
93.859	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001020041	7,578
93.859	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20190005AM01	134,914

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93.859	3600	MATCHSTICK TECHNOLOGIES INC	A127786AM04	64,387
93.859	3600	PROTEIOS LLC	UW639790	521
93.859	3600	RESEARCH FOUNDATION FOR STATE UNIV OF NY	R960652AM06	164,694
93.859	3600	SOUTHCENTRAL FOUNDATION	2019282AM1	3,764
93.859	3600	SOUTHCENTRAL FOUNDATION	2020174AM03	9,686
93.859	3600	SOUTHCENTRAL FOUNDATION	2020303AM03	72,395
93.859	3600	SOUTHCENTRAL FOUNDATION	2021196AM05	46,252
93.859	3600	STANFORD UNIVERSITY	62244825136718AM01	132,786
93.859	3600	STANFORD UNIVERSITY	62244825136718AM02	561,761
93.859	3600	TEXAS A&M UNIVERSITY	M2003379AM01	47,767
93.859	3600	UNIVERSITY OF COLORADO	FY19841001AM01PTE25A45	2,108
93.859	3600	UNIVERSITY OF UTAH	1004493208AM03	20,795
93.859	3600	UNIVERSITY OF UTAH	1004493208AM05	189,627
93.859	3600	VANDERBILT UNIVERSITY	UNIV60752AM03	207,649
93.859	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC55495AM05	2,368
93.859	3600	VIRGINIA COMMONWEALTH UNIVERSITY	FP00011713SA001	76,384
93.859	3650	OREGON STATE UNIVERSITY	P0425AA	6,886
93.859	3650	SOUTHERN METHODIST UNIVERSITY	G0019077500	48,610
93.859	3650	TEXAS A&M UNIVERSITY	M2100083	79,419
93.859	3650	UNIVERSITY OF PITTSBURGH	AWD00002352	9,696
93.859	3650	WASHINGTON UNIVERSITY IN ST LOUIS	WU17182	39,349
93.859	3650	WILLAMETTE UNIVERSITY	R15GM132845WSU	27,159
93.859	3800	University Of San Diego	#160086-U2017-004	7,577
93.859	6990	PSU	205cre480	27,098
93.860	3600	OLIVE VIEW-UCLA EDUCATION & RESEARCH INSTITUTE	2022R1	33,722
93.865	3600	BAYLOR COLLEGE OF MEDICINE	7000000288AM04	327,703
93.865	3600	CROSSLIFE TECHNOLOGIES INC	UW665699	127,063



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93.865	3600	DUKE UNIVERSITY	3021485	-3,125
93.865	3600	DUKE UNIVERSITY	3021745AM01	43,462
93.865	3600	FHI360	102469001001AM04	16,354
93.865	3600	FHI360	102492001001	6,962
93.865	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000991521AM01	19,100
93.865	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001007575	69,936
93.865	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001007575AM02	4,987
93.865	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001027004	276,558
93.865	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001027004AM01	95,817
93.865	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0001033375AM01	320,278
93.865	3600	GEORGE WASHINGTON UNIVERSITY	SMFM2021CF13	970
93.865	3600	GILLETTE CHILDREN'S	UW664574	20,733
93.865	3600	HARVARD UNIVERSITY	11420515875107643AM001	41,302
93.865	3600	HARVARD UNIVERSITY	11726701875119062	15,147
93.865	3600	HEALTH RESEARCH INC	28801AM03	23,399
93.865	3600	JOHNS HOPKINS UNIVERSITY	2004031129AM02	114,389
93.865	3600	LOUISIANA STATE UNIVERSITY	AH19105003A1	-169
93.865	3600	LOUISIANA STATE UNIVERSITY	AH19105003A2	7,185
93.865	3600	LUNDQUIST INSTITUTE FOR BIOMEDICAL	UW3122701AM02	2,853
93.865	3600	MAYO CLINIC	UNI20120801PO66645877A	14,596
93.865	3600	NORTHWESTERN UNIVERSITY	60047828WASH	44,399
93.865	3600	NORTHWESTERN UNIVERSITY	60047828WASHAM01	43,028
93.865	3600	OHIO WILLOW WOOD COMPANY	5R42HD09347603SA01	206,997
93.865	3600	PRINCETON UNIVERSITY	SUB00000417	85,815
93.865	3600	SALUS DISCOVERY LLC	1R44HD10120101	31,980

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93.865	3600	SEATTLE CHILDREN'S HOSPITAL	11614SUBMOD04	89,808
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12119SUBMOD02	125,501
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12292SUB	18,414
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	12380SUB	3,800
93.865	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ115GJ12SIBCRM01	4,467
93.865	3600	SOUTHCENTRAL FOUNDATION	2020037	28,137
93.865	3600	SOUTHCENTRAL FOUNDATION	2021023AM02	20,816
93.865	3600	TULANE UNIVERSITY	TULHSC5575431920	3,170
93.865	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1920GUA066AM04	21,471
93.865	3600	UNIVERSITY OF ILLINOIS CHICAGO	1761100	-132
93.865	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	3003879380AM06	28,780
93.865	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	3004910137AM03	39,462
93.865	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00009201AM02	27,727
93.865	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00009201PO30055415	36,158
93.865	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5109092AM03	254,726
93.865	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5112526AM2	25,438
93.865	3600	UNIVERSITY OF PITTSBURGH	AWD000031884171364	2,542
93.865	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	134751633AM01	77,440
93.865	3600	UNIVERSITY OF TEXAS MEDICAL BRANCH	208441510	-38
93.865	3600	UNIVERSITY OF UTAH	1005136910	52,275
93.865	3600	UNIVERSITY OF WISCONSIN MADISON	773K253AM03	42,498
93.865	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	41257919124	18,337
93.865	3600	WASHINGTON UNIVERSITY IN ST LOUIS	WU19329MOD02	162,159
93.865	3600	WEILL MEDICAL COLLEGE OF CORNELL UNIV	2128261	57,323
93.865	3650	ARIZONA STATE UNIVERSITY	ASUB00000308	104,756
93.865	3650	OREGON HEALTH & SCIENCES UNIVERSITY	1013518WSU	27,006
93.865	3650	UNIVERSITY OF MICHIGAN	SUBK00014051	3,760

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<b>Federal Catalog No.</b>	<b>State Agency No.</b>	<b>Pass-Through Entity Name</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	31169CAM04	269,785
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	311806P0818088	21,816
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	311807	8,003
93.866	3600	ALLEN INSTITUTE	A142285	72,829
93.866	3600	ALLEN INSTITUTE	A142285AM01	890,995
93.866	3600	ALLEN INSTITUTE	A142285AM02	492,226
93.866	3600	BOSTON MEDICAL CENTER	7661	91,625
93.866	3600	BOSTON UNIVERSITY	4500003041AM003	189,790
93.866	3600	BOSTON UNIVERSITY	4500003082AM03	88,659
93.866	3600	BOSTON UNIVERSITY	4500003184AM01	116,963
93.866	3600	BOSTON UNIVERSITY	4500003432AM01	112,618
93.866	3600	BOSTON UNIVERSITY	4500003470AM001	71,230
93.866	3600	BOSTON UNIVERSITY	4500003677AM002	253,452
93.866	3600	BOSTON UNIVERSITY	4500003830	69,666
93.866	3600	BRIGHAM AND WOMEN'S HOSPITAL	115640AM06	38,666
93.866	3600	BRIGHAM AND WOMEN'S HOSPITAL	119900AM02	35,104
93.866	3600	BROWN UNIVERSITY	00000844AM05	62,456
93.866	3600	CASE WESTERN RESERVE UNIVERSITY	RES514787AM01	13,830
93.866	3600	CASE WESTERN RESERVE UNIVERSITY	RES515786	68,509
93.866	3600	COLUMBIA UNIVERSITY	1GG01479201	32,707
93.866	3600	COLUMBIA UNIVERSITY	5GG01582202AM01	38,629
93.866	3600	DUKE UNIVERSITY	A033241AM01	479,522
93.866	3600	EMORY UNIVERSITY	A234165	106,150
93.866	3600	EMORY UNIVERSITY	A371839AM01	245,187
93.866	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000981488AM02	42,330
93.866	3600	GEORGE WASHINGTON UNIVERSITY	20M68	60,592
93.866	3600	HARVARD UNIVERSITY	1165465097910AM7	8,912

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93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255B7414609AM02	49,170
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255B8514609AM03	51,149
93.866	3600	ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI	0255B8514609AM05	61,974
93.866	3600	INSTITUTE FOR SYSTEMS BIOLOGY	20200009	10,178
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG002694UWOFFCAMPUS	259,885
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG002694UWOFFCAMPUSAM	539,907
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG002694UWONCAMPUS	347,353
93.866	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG002694UWONCAMPUSAM0	229,832
93.866	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG209925BUDG02UW01AM0	-10,862
93.866	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG209925UWAM04	130,202
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG002694UWOFFCAMPUSAM	97,304
93.866	3600	KAISER PERMANENTE WASHINGTON HEALTH RESEARCH INSTITUTE	RNG002694UWONCAMPUSAM0	5,906
93.866	3600	MAYO CLINIC	UOW26313401PO67509304A	99,771
93.866	3600	MAYO CLINIC	WAS26313401AM01	4,864
93.866	3600	NATIONAL BUREAU OF ECONOMIC RESEARCH INC	418400002UWAM02	519,075
93.866	3600	NORTH CAROLINA STATE UNIVERSITY	2019129602AM01	34,268
93.866	3600	NORTHERN CALIFORNIA INST FOR RSCH & EDUC	SHL212004AM02	44,810
93.866	3600	NORTHERN CALIFORNIA INST FOR RSCH & EDUC	STE219611AM01	82,402
93.866	3600	NORTHWESTERN UNIVERSITY	60048329UWAMA03	5,449
93.866	3600	NORTHWESTERN UNIVERSITY	60048330UWA04	15,051
93.866	3600	NORTHWESTERN UNIVERSITY	60048331UW	5,901
93.866	3600	NORTHWESTERN UNIVERSITY	60048332UWA03	99,962
93.866	3600	NORTIS INC	NORTIS001AM01	50,028
93.866	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1015875UWA	89,320
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218BW22SIBCR	2,170

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93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218BW23SIBCR	23,765
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218FUJIMT1SIBCR	5,115
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218OMERM1SIBCR	39,163
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW218SFUJIMT1SIBCR	568
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW219OMERM1SIBCRM01	28,483
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	BW29HANSEK4SIBCR	17,544
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118GJ11SIBCRM01	14,544
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118GJ12SIBCRM01	3,169
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118HERODM1SIBCRM01	1,858
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118HERODM2SIBCRM01	4,853
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118MIRANG1SIBCR	14,820
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	GJ118UW1	28,751
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ22IJ22SIBCR	31,165
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ22IJ23SIBCR	7,613
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ22JANSSD2SIBCR	4,178
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	IJ22WANGM2SIBCR	41,054
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AHANM1SIBCR	22,450
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AKB21SIBCR	16,214
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AMCMILP1SIBCRM01	28,205
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AMCMILP2SIBCR	13,017
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AWALDHS12SIBCR	15,507
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB210AWALDHS13SIBCR	9,585
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB211ECKR1SIBCR	3,724
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB211JADHAV1SIBCR	3,359
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB211KB24SIBCR	29,627
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB211KB25SIBCR	10,013
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB29KB21SIBCR	3,960
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KB29KB22SIBCR	19,465

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93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS121WFUKS13SIBCR	13,454
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	KS121WFUSOCHAJ3SIBCR	3,725
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE155PE15SIBCRM01	5,962
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE155RM15SIBCRM01	97,469
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	PE155RM16SIBCR	33,914
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD112AELMORS3SIBCR	39,298
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD112ATD13SIBCR	7,846
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD120TD12SIBCR	3,306
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122HS21SIBCR	-49
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122HS22SIBCR	7,138
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122TD11SIBCR	3,163
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122TD12SIBCR	17,959
93.866	3600	SEATTLE INST FOR BIOMED & CLINICAL RSCH	TD122UW1	6,453
93.866	3600	STANFORD UNIVERSITY	61314414124531AM09	439,234
93.866	3600	STANFORD UNIVERSITY	61627910128473AM03	56,260
93.866	3600	SUTTER BAY HOSPITALS	280201015S221AM04	229,555
93.866	3600	TUFTS UNIVERSITY	10358900001NIH173	16,119
93.866	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1558GTA326AM08	86,532
93.866	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1558GWA112AM03	16,229
93.866	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	1558GWA254AM01	-10
93.866	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	10841SCAM02	7,549
93.866	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11075SCAM04	12,906
93.866	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12347SC	135,684
93.866	3600	UNIVERSITY OF CALIFORNIA, LOS ANGELES (UCLA)	1560BWB288AM02	2,320
93.866	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO (UCSD)	87749088AM003	500
93.866	3600	UNIVERSITY OF COLORADO	FY19875002FY20875002AM	31,972
93.866	3600	UNIVERSITY OF FLORIDA	SUB00002628	3,829

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93.866	3600	UNIVERSITY OF MELBOURNE	GL064596UWSY4AM03	27,399
93.866	3600	UNIVERSITY OF MIAMI	OS00000066AM04SPC00027	112,009
93.866	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00009657AM02	76,883
93.866	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00009932PO30052399	4,743
93.866	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00011202	-17,986
93.866	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00011202AM01	123,750
93.866	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00011202AM02	49,247
93.866	3600	UNIVERSITY OF MICHIGAN ANN ARBOR	SUBK00014556AM01	14,203
93.866	3600	UNIVERSITY OF MINNESOTA	P008447401	73,788
93.866	3600	UNIVERSITY OF PENNSYLVANIA	573045AM03	47,685
93.866	3600	UNIVERSITY OF PENNSYLVANIA	577437AM02	19,002
93.866	3600	UNIVERSITY OF PENNSYLVANIA	579279	7,795
93.866	3600	UNIVERSITY OF PENNSYLVANIA	579279AM01	42,909
93.866	3600	UNIVERSITY OF PENNSYLVANIA	580327AM01	27,119
93.866	3600	UNIVERSITY OF PENNSYLVANIA	580529PO4557311	60,257
93.866	3600	UNIVERSITY OF PENNSYLVANIA	582036AM02	10,014
93.866	3600	UNIVERSITY OF PITTSBURGH	AWD000035471358751	34,601
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	109309268AM02	116,742
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	124009907AM02	39,791
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	137298298	210,119
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	97832536AM02	64,188
93.866	3600	UNIVERSITY OF SOUTHERN CALIFORNIA (USC)	131446809	2,025
93.866	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	163900163897AM01	-3,705
93.866	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	164388164378	813
93.866	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	164388164378AM02	166,682
93.866	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	168701168699	8,322
93.866	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	168780167810AM01	89,417

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93.866	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO	168780167810AM01	3,338
93.866	3600	UNIVERSITY OF UTAH	10041896AM02	40,036
93.866	3600	UNIVERSITY OF VERMONT	30340SUB52029UOFWASHAM	28,071
93.866	3600	UNIVERSITY OF WISCONSIN MADISON	0000000685AM02	3,413
93.866	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC68180AM03	279,066
93.866	3600	WAKE FOREST UNIVERSITY	100101720112971AM04	18,059
93.866	3600	WAKE FOREST UNIVERSITY	114101720551083AM02	263,781
93.866	3600	WAKE FOREST UNIVERSITY	186101720441341AM04	14,297
93.866	3600	WAKE FOREST UNIVERSITY	371101720111041	36,645
93.866	3650	UNIVERSITY OF CALIFORNIA DAVIS	A201801S001	5,235
93.866	3650	UNIVERSITY OF COLORADO	FY16001015	23,135
93.866	3650	UNIVERSITY OF NEW MEXICO	765335874P	24,466
93.867	3600	ALLEN INSTITUTE	20200288AM01	135,530
93.867	3600	JAEB CENTER FOR HEALTH RESEARCH, INC. (JCHR)	PROTOCOLSITE47	77
93.867	3600	JOHNS HOPKINS UNIVERSITY (JHU)	2004876349AM02	1,765
93.867	3600	MEDICAL COLLEGE OF WISCONSIN	PO6123363	8,186
93.867	3600	MEDICAL COLLEGE OF WISCONSIN	PO6152192AM01	13,291
93.867	3600	MEDICAL COLLEGE OF WISCONSIN	UW667322	28,808
93.867	3600	MEDICAL COLLEGE OF WISCONSIN	UW668243	26,968
93.867	3600	STANFORD UNIVERSITY	62015716136077	215,384
93.867	3600	STANFORD UNIVERSITY	62015716136077AM02	370,733
93.867	3600	STANFORD UNIVERSITY	62066366133041AM02	129,348
93.867	3600	UNIVERSITY OF CALIFORNIA BERKELEY	00009470	58,550
93.867	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	123204958AM02	73,730
93.867	3650	JOHNS HOPKINS UNIVERSITY	2003370134	131,478
93.867	3650	OREGON HEALTH & SCIENCES UNIVERSITY	1014154WSU	149,240
93.877	3600	UNIVERSITY OF CALIFORNIA LOS ANGELES	2000GYC804	113,615



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93.879	3600	GEORGE MASON UNIVERSITY	E2048782AM02	20,681
93.879	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG003046BUDG03UW01AM0	18,781
93.879	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE	SA0000747	40,199
93.879	6990	Univ of Wash	1T09	14,822
93.889	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	11786SCAM01	25,336
93.924	6990	Oregon Health Sci Univ	1013415_cl	6,048
93.945	3600	SEATTLE CHILDREN'S HOSPITAL	12236SUB	7,436
93.958	3760	Health Care Authority	1565-52693	64,601
93.958	6990	Dept of HHS	21ASO2486	43,086
93.959	3600	MONTANA DEPARTMENT OF PUBLIC HEALTH	18332745160AM01	9,323
93.959	3600	MONTANA DEPARTMENT OF PUBLIC HEALTH	18332745160AM03	52,021
93.959	3600	UTAH DEPARTMENT OF HUMAN SERVICES	196354	59,435
93.970	3650	OREGON HEALTH & SCIENCES UNIVERSITY	1016600_WSU	16,541
93.970	3650	OREGON HEALTH & SCIENCES UNIVERSITY	1016600WSU	16,964
93.989	3600	AGA KHAN UNIVERSITY HOSPITAL	001	-3,560
93.989	3600	AGA KHAN UNIVERSITY HOSPITAL	002	48,183
93.989	3600	AGA KHAN UNIVERSITY HOSPITAL	002AM02	38,590
93.989	3600	AGA KHAN UNIVERSITY HOSPITAL	003AM02	16,198
93.989	3600	KWAME NKURUMAH UNIVERSITY OF SCI & TECH	A110910819CHS0502AM05	64,108
93.989	3600	KWAME NKURUMAH UNIVERSITY OF SCI & TECH	A110910819CHS0502AM3	10,810
93.989	3600	KWAME NKURUMAH UNIVERSITY OF SCI & TECH	A151134AM01	6,112
93.989	3600	UNIVERSIDAD PERUANA CAYETANO HEREDIA	A148150AM01	25,263
93.989	3600	UNIVERSITY OF NAIROBI	A148221	26,018
93.989	3600	UNIVERSITY OF NAIROBI	UON1R21TW01146001MOD02	63,391
93.989	3600	UNIVERSITY OF NAIROBI	UONUW1R25TW01121202	15,623
93.989	3600	UNIVERSITY OF NAIROBI	UONUW5D43TW01014105	2,595
93.RD	3600	ABT ASSOCIATES INC	49860MOD01	68,108
93.RD	3600	ABT ASSOCIATES INC	50065MOD01	9

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93.RD	3600	ACUMEN LLC	MIDS19F0003T0014	2,393
93.RD	3600	ADVANCED BIOSCIENCE LABORATORIES INC	14011000070000MOD04	69,700
93.RD	3600	ALZHEIMER'S ASSOCIATION	UW666857	30,816
93.RD	3600	ALZHEIMER'S ASSOCIATION	UW684295	1,012
93.RD	3600	AMERICAN PSYCHIATRIC ASSOCIATION	AM01	2,960
93.RD	3600	ASSOC OF STATE & TERRITORIAL HEALTH OFF	REQ2198PROJECT6223101	-4,207
93.RD	3600	AVITA MEDICAL	UW668867	2,332
93.RD	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0215101S01	38,010
93.RD	3600	BENAROYA RESEARCH INST AT VIRGINIA MASON	0215102S01	47,909
93.RD	3600	BIODEPOT LLC	UW666806	8,551
93.RD	3600	BIOMIMETIX JV, LLC	00062660AM03	71,405
93.RD	3600	BIOQUAL INC	MOD03	16,807
93.RD	3600	BIOQUAL INC	MOD04	196,343
93.RD	3600	BIOQUAL INC	MOD05	9,971
93.RD	3600	CHOCTAW NATION OF OKLAHOMA	UW666174	7,488
93.RD	3600	COMPUTERCRAFT CORPORATION	UWSUBCONTRACTNO3MOD02	110,088
93.RD	3600	COMPUTERCRAFT CORPORATION	UWSUBCONTRACTNO4	376,018
93.RD	3600	CROSSLIFE TECHNOLOGIES INC	A134573	-2,521
93.RD	3600	CROSSLIFE TECHNOLOGIES INC	UW636710	3,278
93.RD	3600	DARTNET INSTITUTE	PO111110200201587699	1,479
93.RD	3600	DUKE UNIVERSITY	146SPS260845	3,388
93.RD	3600	DUKE UNIVERSITY	7271OPPORTUNITY1TO51A	3,250
93.RD	3600	EMORY UNIVERSITY	UW684354	2,817
93.RD	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000865655AM04	8,987
93.RD	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000908589AM04	-3,253

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93.RD	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000935635AM04	5,136
93.RD	3600	FRED HUTCHINSON CANCER RESEARCH CENTER (FHCRC)	UW669877	2,539
93.RD	3600	HARVARD UNIVERSITY	1097865110787AM01	351,246
93.RD	3600	HEAD FOR THE CURE FOUNDATION	UW663993	5,421
93.RD	3600	HENNEPIN HEALTHCARE RESEARCH INSTITUTE	75N94019C00006	9,257
93.RD	3600	HENNEPIN HEALTHCARE RESEARCH INSTITUTE	75N94019C00006AM01	24,848
93.RD	3600	JOHNS HOPKINS UNIVERSITY	P1090PO2002565212	3,649
93.RD	3600	KAISER FOUNDATION HEALTH PLAN OF WA	HHSN272200800004CUWMOD	2,564
93.RD	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG002833BUDG03SUBUWMO	49,997
93.RD	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG210945UW	3,704
93.RD	3600	KAISER FOUNDATION HEALTH PLAN OF WA	RNG210946UW	4,921
93.RD	3600	KAISER FOUNDATION HEALTH PLAN OF WA	TO1PO2017135605MOD08	966
93.RD	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG209676BUDG01UW00AM0	2,569
93.RD	3600	KAISER FOUNDATION RESEARCH INSTITUTE	RNG21046BUDG01UW00AM01	91,655
93.RD	3600	KING COUNTY	3732CHSAM01	8,157
93.RD	3600	KITWARE INC	K00234200S02	30,930
93.RD	3600	LEIDOS BIOMEDICAL RESEARCH INC	P9825P9881AM04	773
93.RD	3600	LOS ANGELES BIOMEDICAL RESEARCH INSTITUTE AT HARBOR-UCLA MEDICAL CENTER	3133203UWPOAM01	5,334
93.RD	3600	LUNDQUIST INSTITUTE FOR BIOMEDICAL	3133203UWPOAM01	60,719
93.RD	3600	MASSACHUSETTS GENERAL HOSPITAL	238257	26,381
93.RD	3600	MATHEMATICA POLICY RESEARCH INC	50238S05787AM01	-99
93.RD	3600	MEDIWOUND LTD	MW20180621	7,351
93.RD	3600	MISSOURI BREAKS INDUSTRIES INC	SHSTA1001UW	53,978
93.RD	3600	NORTHWESTERN UNIVERSITY	SP003377960044358UWASH	12,100
93.RD	3600	NORTHWESTERN UNIVERSITY	SP003377960047201UWASH	8,555

**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Note F: Supplemental Information for Pass-Through Funds**

*For the Fiscal Year Ended*  
*June 30, 2021*  
*(Expressed in whole dollars)*

<b>Federal Catalog No.</b>	<b>State Agency No.</b>	<b>Pass-Through Entity Name</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1004354UWAAM08	6,229
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1014432UWAAM01	246,717
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1014432UWAAM02	145,713
93.RD	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1016578UWA	5,501
93.RD	3600	RUSH UNIVERSITY MEDICAL CENTER	20042803SUB02	566,874
93.RD	3600	RUTGERS THE STATE UNIV OF NEW JERSEY	UW639250	7,488
93.RD	3600	SANDIA NATIONAL LABORATORIES	PO2152280REV01	110,446
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12157SUBAM01	-26,427
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12158SUB	40,052
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12159SUBAM02	94,173
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12160SUBAM01	321,978
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12161SUB	38,487
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12162SUB	32,768
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12163SUB	12,519
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12231SUBAM01	48,542
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12232SUBAM01	229,706
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12248SUB	41,203
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12248SUBAM01	265,733
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12357SUB	7,109
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12409SUB	125,310
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12410SUBAM01	93,398
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12412SUB	49,311
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12421SUB	26,619
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12424SUB	48,660
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12426SUB	844,346
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12429SUB	578,200
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12436SUB	48,380
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12452SUBYEAR2BASE	31,081

**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Note F: Supplemental Information for Pass-Through Funds**

*For the Fiscal Year Ended*  
*June 30, 2021*  
*(Expressed in whole dollars)*

<b>Federal Catalog No.</b>	<b>State Agency No.</b>	<b>Pass-Through Entity Name</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12454SUB	241,871
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12455SUB	1,716
93.RD	3600	SEATTLE CHILDREN'S HOSPITAL	12520SUBOPTION2	10,286
93.RD	3600	SIDX INC	AM01	50,820
93.RD	3600	SIDX INC	UW634164	-3,544
93.RD	3600	SOCIAL & SCIENTIFIC SYSTEMS INC	CRBSSSS18005450MOD02	69,811
93.RD	3600	ST JUDE CHILDREN'S RESEARCH HOSPITAL	1121100117929049AM01	259,628
93.RD	3600	ST JUDE CHILDREN'S RESEARCH HOSPITAL	1123360117933669AM01	190,484
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000500918T015003AM01	-18,523
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000500918T015004	457
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000500918T015004AM01	-2,461
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524050T006009AM05	-2,173
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524050T007007AM03	7,578
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000524050T009010	8,968
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000527765T001001AM01	163,488
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000527765T002001AM03	125,863
93.RD	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000527766T002001AM02	354,596
93.RD	3600	UNIVERSITY OF CHICAGO	AWD101462E	179,444
93.RD	3600	UNIVERSITY OF MARYLAND BALTIMORE	1600258DAMT003	36,142
93.RD	3600	UNIVERSITY OF MARYLAND BALTIMORE	1600258DAMT009	4,057
93.RD	3600	UNIVERSITY OF MARYLAND BALTIMORE	1600258DTASK2	14,084
93.RD	3600	UNIVERSITY OF MISSISSIPPI MEDICAL CENTER	6611125081912	813
93.RD	3600	UNIVERSITY OF MISSISSIPPI MEDICAL CENTER	SP13925SB11AM02	5,807
93.RD	3600	UNIVERSITY OF NEW MEXICO	3RJE6	6,165
93.RD	3600	UNIVERSITY OF NEW MEXICO	3RJK7AM01	144,287
93.RD	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5116778AM01	37,805
93.RD	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5116789AM01	39,421

**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Note F: Supplemental Information for Pass-Through Funds**

*For the Fiscal Year Ended*  
*June 30, 2021*  
*(Expressed in whole dollars)*

<b>Federal Catalog No.</b>	<b>State Agency No.</b>	<b>Pass-Through Entity Name</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
93.RD	3600	UNIVERSITY OF SOUTHERN CALIFORNIA (USC)	131446521	5,185
93.RD	3600	UNIVERSITY OF UTAH	1004235902AM05	69,663
93.RD	3600	UNIVERSITY OF UTAH	1004235902AM06	169,576
93.RD	3600	UNIVERSITY OF WISCONSIN MADISON	686K836AM05	11,302
93.RD	3600	UNIVERSITY OF WISCONSIN MADISON	811K731AMO3	5,752
93.RD	3600	UNIVERSITY OF WISCONSIN, MADISON	686K862AM05	-9,179
93.RD	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC81589AM02	30,645
93.RD	3600	VITALANT RESEARCH INSTITUTE	11735UW152MOD01	29,564
93.RD	3600	WESTAT INC	660002S015MOD02	113,655
93.U01	3600	GEORGIA STATE UNIVERSITY	SP0001456201	237,611
93.U02	6990	DHHS-DVR	1004	112,444
93.U03	3650	SEATTLE CHILDREN'S RESEARCH	12164SUB	40,049
93.U04	3650	SEATTLE CHILDREN'S RESEARCH	12427SUB	34,477
93.U05	3650	NW RURAL HEALTH NETWORK	136558	59,114
93.U10	3650	MANAGED HEALTH CONNECTIONS LLC	WSU003704	85,363
93.U19	1070	TRANSFORM TFR INITIATIVE GRANT (NASMHPD)	HHSS283201200021i	90,000
93.U19	1070	Eagle Technologies Incorporated	HHSS283201600001C	112,141
94.006	3600	JUMPSTART FOR YOUNG CHILDREN INC	2320200	159,129
95.001	2250	Yakima County Sheriff's Office	C120331GSC	5,499
95.001	3600	EDUCATIONAL SERVICE DISTRICT 105	9001800032AM01	13,787
95.001	3600	PUBLIC HOSPITAL DISTRICT 304	PRIMEG20NW0014A	11,562
97.036	3750	Kittitas County	n/a	11,618
97.061	3600	TEXAS A&M UNIVERSITY	M2001779AM01	202,261
97.061	3600	TEXAS A&M UNIVERSITY	M2100785	51,398
97.061	3600	UNIVERSITY OF ALASKA ANCHORAGE	UAAP0484663AM09	107,779
97.061	3600	UNIVERSITY OF TEXAS SAN ANTONIO	1000003203	51,595
97.067	4770	Clallam County	Grant #E20-053	8,367

**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Note F: Supplemental Information for Pass-Through Funds**

*For the Fiscal Year Ended*  
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*(Expressed in whole dollars)*

<b>Federal Catalog No.</b>	<b>State Agency No.</b>	<b>Pass-Through Entity Name</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
97.067	4770	Clallam County	Stonegarden	13,211
97.067	4770	Okanogan County	WDFW #20-15863	33,215
97.067	4770	Okanogan County	WDFW #20-16571	54,012
97.067	4770	San Juan County	20SG.021	32,032
97.067	4770	Stevens County	EMW-2018-SS-S01	36,665
97.067	4770	Stevens County	WDFW #21-16863	831
97.067	4770	Whatcom County	201907024	24,893
97.091	3030	City of Seattle	GVL23566	282,578
97.133	2250	King County Off of Emergency Mgmt	K16631	1,402
97.RD	3600	NORTHEASTERN UNIVERSITY	50518578052AM01	64,038
98.001	3600	FHI360	1024620010020011244000	379,945
98.001	3600	IMA WORLD HEALTH	DRCCGBVPRIUWMOD08	84,468
98.001	3600	INTRAHEALTH INTERNATIONAL INC	3497001	1,950
98.001	3600	MOI TEACHING AND REFERRAL HOSPITAL	UW662919	273,263
98.001	3600	MOI TEACHING AND REFERRAL HOSPITAL	UW665237	16,254
98.001	3600	TUFTS UNIVERSITY	AI9014AM01	359,072
98.001	3600	UNIVERSITY OF CALIFORNIA SAN FRANCISCO	12269SCAM01	14,995
98.001	3600	UNIVERSITY OF NEVADA, RENO	UNR2062	209,921
98.001	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5113403AM04	133,918
98.001	3600	UNIVERSITY OF PITTSBURGH	CNVA000449784111052AM1	126,520
98.001	3600	US PHARMACOPICAL CONVENTION INC	PQM2105	48,910
98.001	3600	US PHARMACOPICAL CONVENTION INC	TOPQMUW2CROSSBUREAUCOV	14,578
98.001	3650	AMERICAN UNIVERSITY CAIRO	WSU004120	28,794
98.001	3650	VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY	45136419276	7,190
98.001	3650	VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY	45136419276A	0
98.RD	3600	MAKING CENTS INTERNATIONAL INC	401UWMOD05	-6,288

**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Note F: Supplemental Information for Pass-Through Funds**

*For the Fiscal Year Ended*  
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*(Expressed in whole dollars)*

<b>Federal Catalog No.</b>	<b>State Agency No.</b>	<b>Pass-Through Entity Name</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
98.RD	3600	MANAGEMENT SCIENCES FOR HEALTH INC	MTAPS19006AM07	35,580
98.RD	3600	MANAGEMENT SCIENCES FOR HEALTH INC	MTAPS19014AM02	446
98.RD	3600	MANAGEMENT SCIENCES FOR HEALTH INC	MTAPS20037PO21MSH0327	19,337
98.RD	3600	PATH	ICF55615401658738CRTAM	29,731
98.RD	3650	MICHIGAN STATE UNIVERSITY	RC102095BHEARDBANGLADE	9,817
98.RD	3650	MICHIGAN STATE UNIVERSITY	RC102095BHEARDKENYA	6,377
98.RD	3650	MISSISSIPPI STATE UNIVERSITY	19390031245514	29,591
99.RD	3600	CHARLES RIVER ANALYTICS INC	SC1928802	27,847
99.RD	3600	ECS FEDERAL LLC	1740060301MOD07	196,247
99.RD	3600	GEORGIA INSTITUTE OF TECHNOLOGY	D8919S3AM02	264,377

**Total Pass-Through Funds** 215,614,646



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**State of Washington  
Schedule of Expenditures of Federal Awards**

*For the Fiscal Year Ended  
June 30, 2021  
(Expressed in Whole Dollars)*

**Notes G: Supplemental Information for Pass-Through Federal Assistance  
(State as Subrecipient not included on the Schedule)**

<b>Federal Catalog No.</b>	<b>State Agency Number</b>	<b>Federal Program Title</b>	<b>Award/Contract Control Number</b>	<b>Expenditure Amount</b>
17.258	540	Olympic Consortium WDC-1	7319 7310 7329 7320 7339 7330	394,519
17.258	540	SnohomishCounty WDC-4	6670 6679	178,258
17.258	540	North Central WA WDC-8	7700 7709	187,149
17.258	540	Eastern WA Partnership WDC-10	2981	5,655
17.258	540	Spokane Area WDC-12	7810 7819 7870 7899	396,308
<b>Federal Program 17.258 Total</b>				<b>1,161,889</b>
17.259	540	North Central WA WDC-8	7710 7719 7750 7759	199,032
<b>Federal Program 17.259 Total</b>				<b>199,032</b>
17.278	540	Olympic Consortium WDC-1	6409 6500 7340 7349 7350 7359 7360 7369 7380 7399	618,883
17.278	540	SnohomishCounty WDC-4	6610 6620 6680 6689 6730 6779	612,637
17.278	540	North Central WA WDC-8	7690 7698 7740 7749	172,593
17.278	540	Eastern WA Partnership WDC-10	2920 2921 2930 2931 2958 2959	734,718
17.278	540	Spokane Area WDC-12	7800 7809 7850 7859 7900 7950 7960	617,143
<b>Federal Program 17.278 Total</b>				<b>2,755,974</b>
17.280	540	Snohomish County WDC-4	6728	356,177
<b>Federal Program 17.280 Total</b>				<b>356,177</b>

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**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Note H: Supplemental Information - Outstanding Loan Balances**

*For the Fiscal Year Ended*  
*June 30, 2021*  
*(Expressed in whole dollars)*

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Ending Loan Balances as of June 30</b>
<b>University of Washington (Agency 3600)</b>		
84.038	Federal Perkins Loan Program	(4,164,166)
84.038	Federal Perkins Loan Program	27,011,668
	<b>Subtotal 84.038</b>	<b>22,847,502</b>
93.264	Nurse Faculty Loan Program	452,713
93.264	Nurse Faculty Loan Program	526,686
	<b>Subtotal 93.264</b>	<b>979,399</b>
93.342	Health Professions Student Loans, Including Primar	527,485
93.342	Health Professions Student Loans, Including Primar	13,220,141
	<b>Subtotal 93.342</b>	<b>13,747,626</b>
93.364	Nursing Student Loans	(116,764)
93.364	Nursing Student Loans	2,632,850
	<b>Subtotal 93.364</b>	<b>2,516,086</b>
93.408	ARRA - Nurse Faculty Loan Program	(6,108)
93.408	ARRA - Nurse Faculty Loan Program	27,095
	<b>Subtotal 93.408</b>	<b>20,987</b>
	<b>University of Washington Total</b>	<b>40,111,600</b>
<b>Washington State University (Agency 3650)</b>		
84.038	Federal Perkins Loan Program	12,675,181
	<b>Subtotal 84.038</b>	<b>12,675,181</b>
93.264	Nurse Faculty Loan Program	164,563
93.264	Nurse Faculty Loan Program	2,160,141
	<b>Subtotal 93.264</b>	<b>2,324,704</b>
93.342	Health Professions Student Loans, Including Primar	290,759
93.342	Health Professions Student Loans, Including Primar	2,532,569
	<b>Subtotal 93.342</b>	<b>2,823,328</b>
93.364	Nursing Student Loans	522,520
93.364	Nursing Student Loans	735,838
	<b>Subtotal 93.364</b>	<b>1,258,358</b>
	<b>Washington State University Total</b>	<b>19,081,571</b>

**State of Washington**  
**Schedule of Expenditures of Federal Awards**  
**Note H: Supplemental Information - Outstanding Loan Balances**

*For the Fiscal Year Ended*  
*June 30, 2021*  
*(Expressed in whole dollars)*

<b>Federal Catalog No.</b>	<b>Federal Program Title</b>	<b>Ending Loan Balances as of June 30</b>
<b><u>Eastern Washington University (Agency 3700)</u></b>		
84.038	Federal Perkins Loan Program	(556,260)
84.038	Federal Perkins Loan Program	2,381,732
	<b>Subtotal 84.038</b>	<b>1,825,472</b>
	<b>Eastern Washington University Total</b>	<b>1,825,472</b>
<b><u>Central Washington University (Agency 3750)</u></b>		
84.038	Federal Perkins Loan Program	(1,716)
84.038	Federal Perkins Loan Program	1,944,028
	<b>Subtotal 84.038</b>	<b>1,942,312</b>
	<b>Central Washington University Total</b>	<b>1,942,312</b>
<b><u>The Evergreen State College (Agency 3760)</u></b>		
84.038	Federal Perkins Loan Program	(662,499)
84.038	Federal Perkins Loan Program	2,123,113
	<b>Subtotal 84.038</b>	<b>1,460,614</b>
	<b>The Evergreen State College Total</b>	<b>1,460,614</b>
<b><u>Western Washington University (Agency 3800)</u></b>		
84.038	Federal Perkins Loan Program	(1,279,212)
84.038	Federal Perkins Loan Program	6,029,600
	<b>Subtotal 84.038</b>	<b>4,750,388</b>
	<b>Western Washington University Total</b>	<b>4,750,388</b>
<b><u>Community/Technical College System (Agency 6990)</u></b>		
84.038	Federal Perkins Loan Program	(99,643)
84.038	Federal Perkins Loan Program	652,827
	<b>Subtotal 84.038</b>	<b>553,184</b>
	<b>Community/Technical College System Total</b>	<b>553,184</b>
	<b>Total Loan Balances</b>	<b>69,725,141</b>

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**State of Washington**  
**Single Audit Report**  
**For Fiscal Year Ended**  
**June 30, 2021**

**Auditee's Section**  
**Agency Corrective Action Plans**

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STATE OF WASHINGTON  
**OFFICE OF FINANCIAL MANAGEMENT**

*Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555*

August 4, 2022

Washington State Auditor's Office  
ATTN: Cavan Busch, Audit Manager  
3200 Sunset Way S.E.  
Olympia, WA 98504-0031

To the Washington State Auditor's Office:

Enclosed with this letter is the state of Washington's corrective action plan for the following audit findings in the fiscal year 2021 single audit report.

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2021-001	State of Washington	G - 7	E - 17
2021-002	The Office of Superintendent of Public Instruction	G - 9	E - 22
2021-003	The Office of Superintendent of Public Instruction	G - 10	E -28
2021-004	Department of Health	G - 11	E - 37
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2021-006	Employment Security Department	G - 13	E - 52
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2021-008	Department of Transportation	G - 15	E - 70
2021-009	Department of Transportation	G - 17	E - 79
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<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Plans Page Number</b>	<b>Schedule of Findings Page Number</b>
2021-011	Department of Transportation	G - 20	E - 94
2021-012	Department of Social and Health Services	G - 21	E - 103
2021-013	Department of Commerce	G - 23	E - 109
2021-014	Office of Financial Management	G - 24	E - 118
2021-015	Department of Social and Health Services	G - 25	E - 126
2021-016	Department of Commerce	G - 27	E - 136
2021-017	Department of Corrections	G - 29	E - 144
2021-018	Department of Agriculture	G - 31	E - 153
2021-019	Department of Agriculture	G - 32	E - 164
2021-020	Washington State University	G - 34	E - 174
2021-021	The Office of Superintendent of Public Instruction	G - 35	E - 181
2021-022	The Office of Superintendent of Public Instruction	G - 37	E - 190
2021-023	The Office of Superintendent of Public Instruction	G - 38	E - 198
2021-024	Washington State University	G - 39	E - 204
2021-025	The Office of Superintendent of Public Instruction	G - 40	E - 211
2021-026	The Office of Superintendent of Public Instruction	G - 41	E - 217
2021-027	Department of Social and Health Services	G - 42	E - 224
2021-028	Department of Children, Youth, and Families	G - 43	E - 233
2021-029	Department of Social and Health Services	G - 44	E - 241
2021-030	Department of Social and Health Services	G - 46	E - 252

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Plans Page Number</b>	<b>Schedule of Findings Page Number</b>
2021-031	Department of Commerce	G - 47	E - 258
2021-032	Department of Commerce	G - 49	E - 264
2021-033	Department of Children, Youth, and Families	G - 51	E - 272
2021-034	Department of Children, Youth, and Families	G - 52	E - 280
2021-035	Department of Children, Youth, and Families	G - 53	E - 292
2021-036	Department of Children, Youth, and Families	G - 55	E - 301
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2021-038	Department of Children, Youth, and Families	G - 57	E - 320
2021-039	Department of Children, Youth, and Families	G - 58	E - 326
2021-040	Department of Children, Youth, and Families	G - 59	E - 340
2021-041	Department of Children, Youth, and Families	G - 60	E - 344
2021-042	Department of Children, Youth, and Families	G - 61	E - 351
2021-043	Department of Children, Youth, and Families	G - 62	E - 360
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2021-046	Health Care Authority	G - 65	E - 375
2021-047	Health Care Authority	G - 66	E - 387
2021-048	Health Care Authority	G - 67	E - 404
2021-049	Department of Social and Health Services	G - 68	E - 410
2021-050	Health Care Authority	G - 70	E - 435

<b>Finding Number</b>	<b>State Agency</b>	<b>Corrective Action Plans Page Number</b>	<b>Schedule of Findings Page Number</b>
2021-051	Health Care Authority	G - 71	E - 443
2021-052	Health Care Authority	G - 72	E - 448
2021-053	Department of Social and Health Services	G - 73	E - 459
2021-054	Department of Social and Health Services	G - 75	E - 465
2021-055	Health Care Authority	G - 77	E - 473
2021-056	Health Care Authority	G - 78	E - 477
2021-057	Health Care Authority	G - 79	E - 484
2021-058	Health Care Authority	G - 80	E - 491
2021-059	Health Care Authority	G - 81	E - 497
2021-060	Health Care Authority	G - 82	E - 502
2021-061	Health Care Authority	G - 83	E - 507
2021-062	Employment Security Department	G - 84	E - 513

The state's corrective action plan is a compilation of the corrective action plan information provided to us by the applicable state agencies. The corrective action plan document is prepared in conjunction with the 2021 single audit.

We appreciate the efforts of the Washington State Auditor's Office in completing the Single Audit for the state for fiscal year 2021. If you have any questions regarding the corrective action plans, please do not hesitate to contact our office.

Sincerely,

Brian Tinney  
 Assistant Director, Accounting

State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2021	001	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The State lacked adequate internal controls over financial reporting for ensuring accurate recording and monitoring of financial activity in its financial statements.</p> <p><u>CFDA #</u> N/A</p> <p><u>Questioned Costs:</u> \$0</p> <p>Corrective action in progress</p> <p>The Office of Financial Management, with the collaboration of state agencies, strives for the highest standards in the preparation of the state’s financial statements. Responses from each agency are listed below:</p> <p><b><i>State Board for Community and Technical Colleges (State Board)</i></b></p> <p>The State Board has taken the following actions to improve the process of reconciling college financial data timely and accurately with amounts recorded in the State’s accounting system (AFRS):</p> <ul style="list-style-type: none"> <li>• Dedicated additional staff (a nearly full-time programmer, functional support, and accounting staff) to totally revamp the program that is utilized to crosswalk data from the new ERP system to AFRS.</li> <li>• Streamlined configuration for the automatic data upload process.</li> <li>• Finished converting all schools to the new ERP system.</li> <li>• Maintained monthly automated data uploads of State Board and all 36 colleges from the ERP system to AFRS.</li> <li>• Began working with reporting staff to create an automated reconciliation program that will compare AFRS reports to actual real-time data from the ERP system.</li> </ul> <p>The State Board is also working on creating an “in process” report for AFRS errors that will tie to the reconciliation program. By July 2022, the State Board will begin work on creating or modifying rules in the ERP system that will help reduce AFRS errors.</p> <p>The State Board will continue to build and enhance programming tools to help identify and reconcile variances between the two systems. While current monthly data is being reconciled in a timely manner from the ERP system to AFRS, the State Board continues to work on reconciling historical data from the beginning of system employment. Additional help will be required from the Office of Financial Management to make adjusting entries.</p> <p>In addition, the State Board began the conversion and crosswalk of data from ctcLink to the new system that the One Washington project is undertaking to replace AFRS. While this is new and additional work that was not part of the scope of this corrective action plan, it is an integral part of the effort to ensure accurate financial reporting in the long run.</p>

State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	001 (cont'd)	<p><i>State Health Care Authority</i></p> <p>The Authority recognizes the significance and priority of internal controls over recording and reporting financial transactions.</p> <p>Currently, the ProviderOne vendor provides an independent service organization control (SOC2) audit every other year. The estimated additional cost to purchase an annual SOC2 audit report is \$470,000 each biennium.</p> <p>In 2020, the Authority requested funding from the legislature to contract for the additional SOC2 audit report. This request was not funded.</p> <p>The Authority will again submit a request for funds to obtain this report to resolve the audit finding. If the decision package is approved, the contract would be amended in July 2023 and audits would begin on a yearly basis.</p> <p>Completion Date: Estimated December 2022</p> <p>Agency Contact: Brian Tinney                      Statewide Accounting Assistant Director                      PO Box 43127                      Olympia, WA 98504-3127                      (564) 999-1781  <a href="mailto:brian.tinney@ofm.wa.gov">brian.tinney@ofm.wa.gov</a></p>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan																					
2021	002	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with suspension and debarment requirements for the Child Nutrition Cluster program.</p> <table border="0"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>10.553</td> <td>\$0</td> </tr> <tr> <td>10.553 COVID-19</td> <td></td> </tr> <tr> <td>10.555</td> <td></td> </tr> <tr> <td>10.555 COVID-19</td> <td></td> </tr> <tr> <td>10.556</td> <td></td> </tr> <tr> <td>10.556 COVID-19</td> <td></td> </tr> <tr> <td>10.559</td> <td></td> </tr> <tr> <td>10.559 COVID-19</td> <td></td> </tr> <tr> <td>10.579</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>In response to prior year's audit finding, the Office:</p> <ul style="list-style-type: none"> <li>Developed and implemented a new Child Nutrition Programs Agreement template in December 2019. The template includes information and attestation to suspension and debarment requirements.</li> <li>Updated the internal process for review and approval of program applications.</li> </ul> <p>In September 2020, at the request of the U.S. Department of Agriculture (USDA), implementation of the new agreement template was paused to address the civil rights assurance statement in the agreement.</p> <p>The Office received clarification from USDA on June 7, 2021, and Child Nutrition Services subsequently resumed collection of permanent agreements. The Office continues to send, receive, and process permanent agreements, and expects to conclude in December 2022.</p> <p>The conditions noted in this finding were previously reported in findings 2020-003 and 2019-004.</p> <p>Estimated December 2022</p> <p>Leanne Eko                      Director, Child Nutrition Services                      PO Box 47200                      Olympia, WA 98504                      (360) 725-0410  <a href="mailto:Leanne.eko@k12.wa.us">Leanne.eko@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	10.553	\$0	10.553 COVID-19		10.555		10.555 COVID-19		10.556		10.556 COVID-19		10.559		10.559 COVID-19		10.579	
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Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan																					
2021	003	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over accountability of USDA-donated foods.</p> <table border="0"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>10.553</td> <td>\$0</td> </tr> <tr> <td>10.553 COVID-19</td> <td></td> </tr> <tr> <td>10.555</td> <td></td> </tr> <tr> <td>10.555 COVID-19</td> <td></td> </tr> <tr> <td>10.556</td> <td></td> </tr> <tr> <td>10.556 COVID-19</td> <td></td> </tr> <tr> <td>10.559</td> <td></td> </tr> <tr> <td>10.559 COVID-19</td> <td></td> </tr> <tr> <td>10.579</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress.</p> <p>The Office has taken the following corrective actions to strengthen internal controls over accounting for USDA-donated foods:</p> <ul style="list-style-type: none"> <li>Implemented the internal policies and procedures established in August 2020 for the USDA-donated foods reconciliation process.</li> <li>Established adequate internal controls to ensure physical inventory is reconciled with inventory records. Annual physical inventory will be conducted in June at each warehouse. The Office will follow up on any discrepancies identified to ensure the system accurately reflects the current physical inventory.</li> </ul> <p>In September 2021, the Office completed the documentation of system requirements for a new/updated electronic food distribution system that includes tracking and reporting capabilities to assist with the reconciliation process.</p> <p>In May 2022, the Office posted a Request for Proposal for the procurement of a new/updated electronic food distribution system.</p> <p>By November 2023, the new system is expected to launch.</p> <p>The conditions noted in this finding were previously reported in findings 2020-004 and 2019-005.</p> <p>Estimated November 2023</p> <p>Leanne Eko                      Director, Child Nutrition Services                      PO Box 47200                      Olympia, WA 98504                      (360) 725-0410  <a href="mailto:Leanne.eko@k12.wa.us">Leanne.eko@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	10.553	\$0	10.553 COVID-19		10.555		10.555 COVID-19		10.556		10.556 COVID-19		10.559		10.559 COVID-19		10.579	
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Department of Health

Agency 303

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	004	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure provider payments were allowable and met cost principles for the Special Supplemental Nutrition Program for Women, Infants and Children.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">10.557</td> <td style="text-align: right;">\$6,711,342</td> </tr> <tr> <td style="text-align: right;">10.557 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Department partially agrees with the finding.</p> <p>As a result of the Department’s review, there were only five payments/exceptions that did not contain any support from the subrecipient, for a revised total known questioned costs of \$273,614.</p> <p>To address the control weakness identified, an additional control was implemented. In July 2021, the program hired a quality assurance position to create another layer of review of A19 payment requests. This position reviews payment documentation to ensure compliance with the Department’s internal policies.</p> <p>The Department respectfully disagrees with the number of exceptions and questioned costs identified. While the level of support did not meet our internal policies, which are held to a higher standard than federal requirements, the totality of our subrecipient monitoring processes and level of documentation received from the subrecipient accounting system provided assurance that many of the provider payments in question met federal cost principles for allowability.</p> <p>By December 2022, the Department will consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</p> <p>Estimated December 2022</p> <p>Jeff Arbuckle                      External Audit Manager                      PO Box 47890                      Olympia, WA 98504-7890                      (360) 701-0798  <a href="mailto:Jeff.Arbuckle@doh.wa.gov">Jeff.Arbuckle@doh.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	10.557	\$6,711,342	10.557 COVID-19	
<u>CFDA #</u>	<u>Amount</u>								
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Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	005	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Employment Security Department did not have adequate internal controls over and did not comply with federal requirements to conduct case reviews for the Benefit Accuracy Measurement program of the Unemployment Insurance program in a timely manner.</p> <table border="0"> <tr> <td><u>CFDA #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>17.225</td> <td>\$0</td> </tr> <tr> <td>17.225 COVID-19</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Department has addressed the staffing shortages in the Benefit Accuracy Measurement (BAM) program and the unit is currently fully staffed.</p> <p>The Department anticipates the new staff will complete internal training and the National Association of State Workforce Agencies training within twelve months after their hire date.</p> <p>Historically, the BAM unit has been challenged to maintain full levels of staffing. Staff turnover, long training requirements, and unique skill sets make these positions difficult to maintain. While fully staffed, the Department will have sufficient resources to ensure case reviews are conducted in a timely manner in accordance with federally mandated timelines.</p> <p>The conditions noted in this finding were previously reported in finding 2020-011.</p> <p>April 2022</p> <p>Jay Summers                      External Audit Manager                      PO Box 9046                      Olympia, WA 98507                      (360) 529-6718  <a href="mailto:Joshua.Summers@esd.wa.gov">Joshua.Summers@esd.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	17.225	\$0	17.225 COVID-19	
<u>CFDA #</u>	<u>Amount</u>								
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Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	006	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Employment Security Department did not have adequate internal controls over fiscal monitoring requirements to ensure subrecipients of the Workforce Innovation and Opportunity Act program only used funds for allowable purposes.</p> <table border="0"> <thead> <tr> <th data-bbox="670 583 764 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1097 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="670 613 748 640">17.258</td> <td data-bbox="1003 613 1032 640">\$0</td> </tr> <tr> <td data-bbox="670 642 748 669">17.259</td> <td></td> </tr> <tr> <td data-bbox="670 672 748 699">17.278</td> <td></td> </tr> </tbody> </table> <p>No corrective action taken</p> <p>Employment Security Department (ESD) does not concur with this finding.</p> <p>The State Auditor’s Office recommended the Department strengthen its monitoring of Local Workforce Development Boards (LWDBs) to ensure they are using federal funds only for allowable purposes. The Department believes it has established strong procedures for monitoring LWDBs, which include mandatory annual onsite monitoring and a risk-based assessment process.</p> <p>During monitoring visits of the Department, the U.S. Department of Labor also cited the Department’s practices in subrecipient monitoring as promising. In March 2022, prior to this finding being issued, the Department received the Final Determination Letter for the fiscal year 2020 audit findings. The grantor confirmed that the Department provided adequate supporting documentation of the monitoring and risk assessments process for LWDBs and determined that finding 2020-013 was resolved.</p> <p>The conditions noted in this finding were previously reported in findings 2020-013 and 2019-012.</p> <p>Not applicable</p> <p>Jay Summers                      External Audit Manager                      PO Box 9046                      Olympia, WA 98507                      (360) 529-6718  <a href="mailto:Joshua.Summers@esd.wa.gov">Joshua.Summers@esd.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	17.258	\$0	17.259		17.278	
<u>CFDA #</u>	<u>Amount</u>										
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Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	007	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Employment Security Department did not have adequate internal controls over and did not comply with requirements to ensure it submitted complete and accurate quarterly performance reports for the Workforce Innovation and Opportunity grant.</p> <table border="0"> <tr> <td><u>CFDA #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>17.258</td> <td>\$0</td> </tr> <tr> <td>17.259</td> <td></td> </tr> <tr> <td>17.278</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>In response to the finding, the Department is in the process of developing a comprehensive system and set of protocols to strengthen internal controls over the completion and submission of quarterly performance reports for the Workforce Innovation and Opportunity Act (WIOA) grant.</p> <p>The Department:</p> <ul style="list-style-type: none"> <li>Updated the scripts in the Participant Individual Record Layout (PIRL) reporting system to reflect zero blank elements and only allowable values.</li> <li>Executed a Workforce Integrated Technology Replacement Project that focuses on improving case management and data management internal controls. The Department estimates the project will be completed by December 2024.</li> <li>Initiated and is in the process of a statewide implementation of the U.S. Department of Labor (DOL) Quarterly Report Analysis data integrity and data quality internal controls system.</li> </ul> <p>The Department will:</p> <ul style="list-style-type: none"> <li>Continue to execute the Data Element Validation policy update for the PIRL report per DOL expectations.</li> <li>Continue to provide technical assistance, training, and one-on-one coaching for the local areas, which cover WIOA Title I and WIOA Title III, PIRL reporting, data management, validation, quality, and integrity systems and processes.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2020-012.</p> <p>Estimated December 2024</p> <p>Jay Summers                      External Audit Manager                      PO Box 9046                      Olympia, WA 98507                      (360) 529-6718  <a href="mailto:Joshua.Summers@esd.wa.gov">Joshua.Summers@esd.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	17.258	\$0	17.259		17.278	
<u>CFDA #</u>	<u>Amount</u>										
17.258	\$0										
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Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2021	008	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to conduct program monitoring of subrecipients of the Highway Planning and Construction Cluster.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>20.205</td> <td>\$0</td> </tr> <tr> <td>20.205 COVID-19</td> <td></td> </tr> <tr> <td>20.219</td> <td></td> </tr> <tr> <td>20.224</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Department is committed to ensuring that our grant programs comply with federal regulations related to subrecipient monitoring.</p> <p>In response to prior years' audit findings, the Department took the following corrective actions:</p> <ul style="list-style-type: none"> <li>• In September 2021, the Department received concurrence from the Federal Highway Administration (FHWA) for a risk-based monitoring approach for Project Management Reviews (PMRs) for both the 2020 and 2021 calendar years. This includes:                         <ul style="list-style-type: none"> <li>○ Performing a PMR once a project is substantially complete or complete.</li> <li>○ Not performing a PMR on projects with minimal risk.</li> </ul> </li> <li>• In June 2021, the Local Agency Guidelines (LAG) Manual was updated to reflect changes to the Project Reviews section. The changes included the selection of projects for PMRs based upon assigned risk level and the option to complete PMRs via an electronic file review.</li> </ul> <p>FHWA is currently working to modify the Stewardship and Oversight (S&amp;O) Agreement template, which would allow the Department to update language in the agreement to align with standards and/or best practices, including those for PMRs. Since the update of the modified agreement template is taking FHWA longer than anticipated, the Department is seeking an extension of the concurrence memo with FHWA's Washington Division to allow completion of PMRs on a risk-based schedule.</p> <p>The Department has a formal request pending with FHWA to allow a change in Local Programs PMR process that will supersede the language in the S&amp;O Agreement. Once approved, Local Programs will:</p> <ul style="list-style-type: none"> <li>• Design and implement a risk-based approach to completing PMRs.</li> <li>• Update the LAG to reflect the risk-based approach to complete PMRs.</li> <li>• Communicate changes to policies and procedures to Local Program staff and stakeholders.</li> </ul>	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.205 COVID-19		20.219		20.224	
<u>CFDA #</u>	<u>Amount</u>												
20.205	\$0												
20.205 COVID-19													
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Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	008 (cont'd)	<p>The conditions noted in this finding were previously reported in finding 2020-016 and 2019-015.</p> <p>Completion Date: Estimated December 2022</p> <p>Agency Contact: Jesse Daniels                      External Audit Liaison                      PO Box 47320                      Olympia, WA 98504                      (360) 705-7035  <a href="mailto:danielje@wsdot.wa.gov">danielje@wsdot.wa.gov</a></p>

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status											
2021	009	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Highway Planning and Construction Cluster.</p> <table border="0"> <thead> <tr> <th data-bbox="672 583 764 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1096 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="672 615 748 642">20.205</td> <td data-bbox="1003 615 1031 642">\$0</td> </tr> <tr> <td data-bbox="672 646 873 674">20.205 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="672 678 748 705">20.219</td> <td></td> </tr> <tr> <td data-bbox="672 709 748 737">20.224</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>The Department is committed to ensure that our grant programs comply with federal regulations regarding required risk assessments.</p> <p>In response to prior years’ audit findings, the Department took corrective actions to address the audit recommendations, as follows:</p> <ul style="list-style-type: none"> <li>• As of June 2019, established a risk assessment program to inform required monitoring activities.</li> <li>• Developed a risk assessment form to document assessments performed.</li> <li>• Communicated information on the risk assessment program to appropriate headquarters and regional staff.</li> <li>• Reviewed initial risk assessment forms completed by regional staff to ensure they were completed properly.</li> <li>• As of June 2022, updated the risk assessment form to allow documentation of multiple obligations during a project’s phase.</li> </ul> <p>When the Governor issued the Stay Home, Stay Healthy order, regional staff’s focus was redirected to project shut down, safety, and reopening plans, which slowed completion of some risk assessments.</p> <p>The Department will:</p> <ul style="list-style-type: none"> <li>• Continue to maintain ongoing communication with regional staff to ensure risk assessments are performed and properly documented in accordance with the risk assessment program guidelines.</li> <li>• Work with regional management to modify staff’s position descriptions to include performing required monitoring activities, such as completing risk assessments timely. This is in process and will take place as part of the annual performance evaluation cycles with the regional Local Program’s engineers over the next year.</li> <li>• Communicate changes to the risk assessment approach to appropriate Local Program’s staff and stakeholders.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2020-014, 2019-016 and 2018-012.</p>	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.205 COVID-19		20.219		20.224	
<u>CFDA #</u>	<u>Amount</u>												
20.205	\$0												
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Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Status
2021	009 (cont'd)	Completion Date: Estimated June 2023  Agency Contact: Jesse Daniels External Audit Liaison PO Box 47320 Olympia, WA 98504 (360) 705-7035 <a href="mailto:danielje@wsdot.wa.gov">danielje@wsdot.wa.gov</a>



Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan										
2021	010	<p>Finding: The Washington State Department of Transportation did not have adequate internal controls over and did not comply with requirements to issue management decisions for audit findings to subrecipients of the Highway Planning and Construction Cluster.</p> <p>Questioned Costs:</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><u>CFDA #</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>20.205</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>20.205 COVID-19</td> <td></td> </tr> <tr> <td>20.219</td> <td></td> </tr> <tr> <td>20.224</td> <td></td> </tr> </tbody> </table> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is committed to ensuring that our grant programs comply with federal regulations related to subrecipient monitoring.</p> <p>The Department’s Local Programs Division had a different understanding of the requirement to issue Management Decision Letters (Decision Letters). The Division typically issues Decision Letters to subrecipients that receive single audit findings related to WSDOT federal grant awards. For the subrecipients in question, the Division assessed risk of noncompliance and elected to forgo a formal Decision Letter since the subrecipient’s response in the audit report reflected corrective action was complete. The Department understands the State Auditor’s Office’s (SAO) recommendation to issue Decision Letters for all subrecipient single audit findings related to federal grant awards by the Department.</p> <p>The Department will:</p> <ul style="list-style-type: none"> <li>• Review subrecipient single audit findings for fiscal year 2020 that were received during fiscal year 2022 and ensure the Local Programs Division issues all required Decision Letters.</li> <li>• Continue to review all single audits issued for subrecipient agencies and send Decision Letters based on SAO recommendations.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2020-015 and 2019-017.</p> <p>Completion Date: Estimated December 2022</p> <p>Agency Contact: Jesse Daniels                      External Audit Liaison                      PO Box 47320                      Olympia, WA 98504                      (360) 705-7035  <a href="mailto:danielje@wsdot.wa.gov">danielje@wsdot.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.205 COVID-19		20.219		20.224	
<u>CFDA #</u>	<u>Amount</u>											
20.205	\$0											
20.205 COVID-19												
20.219												
20.224												

Department of Transportation

Agency 405

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2021	011	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Washington State Department of Transportation did not have adequate internal controls over and did not comply with quality assurance program requirements to ensure materials conformed to approved plans and specifications, and that only qualified personnel performed testing for projects funded by the Highway Planning and Construction Cluster.</p> <table border="0"> <tr> <td><u>CFDA #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>20.205</td> <td>\$0</td> </tr> <tr> <td>20.205 COVID-19</td> <td></td> </tr> <tr> <td>20.219</td> <td></td> </tr> <tr> <td>20.224</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Department is committed to ensuring that our grant programs comply with federal regulations related to quality assurance (QA) requirements, safeguarding materials, and ensuring workmanship conform to approved plans and specifications through testing, inspections, or certifications.</p> <p>To address the audit recommendations, the Department’s Construction Division will examine current policies and procedures/practices related to the audit issues.</p> <p>The Department will:</p> <ul style="list-style-type: none"> <li>• Update policies and procedures, including the Department’s Construction Manual (M46-01), as needed to ensure staff practices meet federal regulations. Update will also include other clarifications needed to address practices and documentation to evidence materials testing, inspections, certification, and acceptance.</li> <li>• Obtain approval of updates to the Construction Manual from the Federal Highway Administration.</li> <li>• Communicate changes in policies and procedures to Division staff and stakeholders.</li> <li>• Provide training to the Project Engineering Office to emphasize QA program requirements.</li> </ul> <p>Similar conditions noted in this finding were previously reported in findings 2020-017 and 2019-019.</p> <p>Estimated June 2023</p> <p>Jesse Daniels                      External Audit Liaison                      PO Box 47320                      Olympia, WA 98504                      (360) 705-7035  <a href="mailto:danielje@wsdot.wa.gov">danielje@wsdot.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	20.205	\$0	20.205 COVID-19		20.219		20.224	
<u>CFDA #</u>	<u>Amount</u>												
20.205	\$0												
20.205 COVID-19													
20.219													
20.224													

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	012	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p>	<p>The Department of Social and Health Services did not have adequate internal controls to ensure payments were allowable and properly supported, and did not comply with federal requirements to conduct fiscal monitoring of subrecipients for the Coronavirus Relief Fund.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>21.019 COVID-19</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department partially concurs with the finding.</p> <p>The Department does not concur with the auditor’s assertion that only “high-level” supporting documentation was required for subrecipient payments to ensure the expenditures met the Coronavirus Relief Funds (CRF) allowability requirements. The subrecipient performed eligibility determination which included verification of immigration status and self-attestations that the client had not received a federal stimulus payment or unemployment benefits. The subrecipient then provided the Department with a list of eligible clients and supporting documentation. To protect client confidentiality, the subrecipient assigned each client a unique client identifier with personal identifying information redacted.</p> <p>When the Department approved subrecipient payments, required supporting documentation were reviewed which included the unique client identifier, some demographic information, and the check number. To ensure the expenditures met CRF’s allowability requirements, the unique client identifier was cross-matched to the list of eligible clients.</p> <p>The Department concurs that there was no documentation to support that fiscal monitoring for one of the subrecipients had occurred. The Department did request the required information from the subrecipient to review its eligibility determinations but found the subrecipient to be noncompliant with the request.</p> <p>By December 2022, the Department will update subrecipient monitoring procedures to:</p> <ul style="list-style-type: none"> <li>• Ensure contracts and monitoring plans clearly identify the required supporting documentation to be provided to the Department.</li> <li>• Establish procedures for corrective action in situations of noncompliance with contract requirements and monitoring plans.</li> <li>• Include language in the contract covering expectations for the subrecipient to provide adequate information prior to reimbursement.</li> </ul> <p>Estimated December 2022</p>	<u>CFDA #</u>	<u>Amount</u>	21.019 COVID-19	\$0
<u>CFDA #</u>	<u>Amount</u>						
21.019 COVID-19	\$0						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	012	Agency Contact: Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a>

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	013	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to conduct fiscal monitoring of subrecipients and ensure payments were allowable and properly supported for the Coronavirus Relief Fund.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>21.019 COVID-19</td> <td>\$4,124,518</td> </tr> </table> <p>Corrective action in progress</p> <p><b>Rental Assistance Program</b></p> <p>In response to the finding, the Department is implementing procedures to strengthen internal controls to ensure compliance with the subrecipient fiscal monitoring requirements and that payments are allowable and properly supported. This includes:</p> <p>The Homelessness Assistance Unit managing director will:</p> <ul style="list-style-type: none"> <li>• Update the unit reimbursement procedures to include a requirement for specific back-up documentation to accompany payment requests.</li> <li>• Cross walk updated procedures with 2 CFR 200.332 to identify any additional requirements for pass-through entities.</li> <li>• Review the updated procedures with the Department’s internal control officer for review and feedback.</li> <li>• Audit the process during the next contracting cycle to ensure the procedure was followed.</li> </ul> <p>The Federal Team manager will train current staff on the updated procedures and include the training when onboarding new staff.</p> <p><b>Local Government Assistance Program</b></p> <p>The Local Government Assistance Program maintains that strong internal controls are in place. With the exception of the error identified during the audit, the program monitored and approved thousands of expenditures for approximately \$406 million worth of services provided to Washington state citizens. The Program will continue to ensure current processes have adequate controls in place to verify expenditures reimbursed are eligible, allowable, and within the period of performance.</p> <p>For both programs, the Department is committed to complying with grant requirements. Since the Department received Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) funding through legislative appropriation, resolution of the questioned costs with the grantor will be managed by the Office of Financial Management.</p> <p>Estimated September 2022</p> <p>Gena Allen                      Internal Control Officer                      PO Box 42525                      Olympia, WA 98504-2525                      (360) 480-5149  <a href="mailto:Gena.Allen@Commerce.wa.gov">Gena.Allen@Commerce.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	21.019 COVID-19	\$4,124,518
<u>CFDA #</u>	<u>Amount</u>						
21.019 COVID-19	\$4,124,518						

Office of Financial Management

Agency 105

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	014	Finding:  Questioned Costs:  Status:  Corrective Action:          Completion Date:  Agency Contact:	The Office of Financial Management did not have adequate internal controls over and did not comply with reporting requirements for the Coronavirus Relief Fund.  <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>21.019 COVID-19</td> <td>\$0</td> </tr> </table> Corrective action in progress  The Office concurs with the finding.  As of May 2022, the Office has implemented corrective actions to strengthen internal controls to ensure compliance with federal reporting requirements for the Coronavirus Relief Fund (CRF). The Office: <ul style="list-style-type: none"> <li>• Transitioned the primary responsibility for the centralized CRF reporting to the Statewide Accounting Division.</li> <li>• Hired a Budget and Grants Coordinator with experience in federal reporting to oversee the reporting process.</li> </ul> The Office is: <ul style="list-style-type: none"> <li>• Closely monitoring all state agency CRF expenditures and reporting timelines to ensure compliance with federal requirements.</li> <li>• Maintaining all documentation submitted by each state agency in an electronic folder.</li> </ul> By October 2022, the Office will perform a full reconciliation of CRF expenditures to ensure the final report contains complete and accurate data.  Estimated October 2022  Brian Tinney Statewide Accounting Assistant Director PO Box 43127 Olympia, WA 98504 (564) 999-1781 <a href="mailto:brian.tinney@ofm.wa.gov">brian.tinney@ofm.wa.gov</a>	<u>CFDA #</u>	<u>Amount</u>	21.019 COVID-19	\$0
<u>CFDA #</u>	<u>Amount</u>						
21.019 COVID-19	\$0						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	015	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to ensure subawards contained all required information and subrecipients received risk assessments for the Coronavirus Relief Fund.</p> <table border="0" data-bbox="667 577 1096 640"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td>21.019 COVID-19</td> <td></td> <td style="text-align: center;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department concurs with the finding.</p> <p>The Washington COVID-19 Immigrant Relief Fund was a new program administered at the request of the Governor’s Office with a budget of \$40 million and an expedited timeline for implementation due to the pandemic. In response to the Governor’s request, the Department’s Office of Refugee and Immigrant Assistance (ORIA), under the Community Services Division (CSD), partnered directly with the Department’s Central Contracts and Legal Services (CCLS) to ensure the contract was legally and technically appropriate.</p> <p>ORIA did not utilize CSD’s internal contracts unit for contract monitoring and as a result, the program did not clearly identify the Washington COVID-19 Immigrant Relief Fund subawards as subrecipients, did not include all the required subrecipient special terms and conditions in the subawards, and did not complete risk assessments on the subrecipients.</p> <p>By August 2022, the ORIA program will:</p> <ul style="list-style-type: none"> <li>• Work with the CSD Contracts Unit, as outlined in the CSD Procedures Handbook, to ensure the appropriate contract template is used and includes all the appropriate subrecipient information.</li> <li>• Establish a checklist for new program staff to follow that aligns with the CSD Procedures Handbook and includes identifying subawards as subrecipients, requiring subrecipient information in the subaward, and creating risk assessments in order to develop monitoring plans.</li> <li>• Work with the CSD Contracts Unit, which has written procedures and processes in place, to ensure the program completes a risk assessment and obtains a copy for retention.</li> </ul> <p>By August 2022, the CSD Contracts Unit will add a new field in their Contract Action Request Ticket System (CARTS) for the program manager to indicate if the contract requires an indication of subrecipient status. This will assist the CSD Contracts Unit to identify upfront the subrecipient requirements and ensure subrecipient language is included in the contract.</p> <p>By December 2022, ORIA’s Office Chief will ensure all ORIA staff complete the subrecipient monitoring training recommended by the CSD Contracts Unit related to:</p> <ul style="list-style-type: none"> <li>• Subrecipient and contractor determinations (2 CFR 200.331)</li> </ul>		<u>CFDA #</u>	<u>Amount</u>	21.019 COVID-19		\$0
	<u>CFDA #</u>	<u>Amount</u>							
21.019 COVID-19		\$0							

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	015 (cont'd)	<ul style="list-style-type: none"> <li>• Subrecipient information required to be included in the contract (2 CFR 200.332(a))</li> <li>• Conducting a risk assessment for each subrecipient for the purpose of determining the appropriate level of subrecipient monitoring (2 CFR 200.332(b))</li> </ul> <p>Completion Date: Estimated December 2022</p> <p>Agency Contact: Richard Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>



Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	016	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Commerce did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Coronavirus Relief Fund received risk assessments.</p> <table border="0" data-bbox="672 548 1094 611"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>21.019 COVID-19</td> <td>\$0</td> </tr> </table> <p>Corrective action in progress</p> <p><b>Small Business Assistance Program</b></p> <p>The Office of Economic Development and Competitiveness (OEDC), Small Business Assistance Program has developed strict procedures moving forward to assess risk and monitor subrecipients to ensure compliance with risk assessments and subrecipient monitoring.</p> <p>In response to the finding, the OEDC:</p> <ul style="list-style-type: none"> <li>• Completed new risk assessments for the 37 Associated Development Organizations that had an assessment originally completed in 2017.</li> <li>• Received a risk assessment from a new recipient that was contracted to provide the services to obtain documentation and disburse funding.</li> <li>• Evaluated current subrecipient monitoring procedures and implemented the following:                         <ul style="list-style-type: none"> <li>○ Perform desk monitoring on a monthly/quarterly basis based on the length of the contract and level of risk assessed.</li> <li>○ Perform onsite monitoring prior to final payment and closeout of all federally funded contracts to ensure subrecipients meet all federal compliance requirements.</li> </ul> </li> <li>• Established a process to review all federal award documents and subrecipient procedures based on the funding received to ensure compliance with applicable federal requirements.</li> </ul> <p>The OEDC also established new procedures for the OEDC contracting team to require a new risk assessment be completed prior to execution of new federally awarded contracts or initiating any reimbursement of funding. The contracting team:</p> <ul style="list-style-type: none"> <li>• Developed a contract checklist to ensure leadership has reviewed the risk assessment prior to contract execution. This review includes level of risk assessed, mitigation requirements, frequency of desk auditing, and the date onsite monitoring will occur.</li> <li>• Participated in five hours of training on desk monitoring and onsite monitoring.</li> <li>• Developed new onsite and desk monitoring forms based on federal requirements, which will be used for all subrecipient monitoring.</li> </ul> <p>The OEDC has registered two staff who primarily work on federally funded contracts to attend the upcoming Federal Acquisition Regulations System</p>	<u>CFDA #</u>	<u>Amount</u>	21.019 COVID-19	\$0
<u>CFDA #</u>	<u>Amount</u>						
21.019 COVID-19	\$0						

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	016 (cont'd)	<p>training. Upon completion of the training, the two staff will serve as OEDC contract team leads to provide internal training, as well as assisting with updating current procedures as needed.</p> <p>Corrective action was completed for the Small Business Assistance Program in April 2022.</p> <p><b>Rental Assistance Program</b></p> <p>In response to the reported deficiencies, the Department is implementing procedures to strengthen internal controls to ensure the program complies with the subrecipient risk assessment requirements.</p> <p>The Federal Team Manager will:</p> <ul style="list-style-type: none"> <li>• Update the unit risk assessment procedures to include a requirement that the risk assessment form must be completed prior to contract execution.</li> <li>• Crosswalk the new procedures and the updated risk assessment form with CFR 200.332 to identify requirements for pass-through entities.</li> <li>• Review the procedure and form with the Department's central contract office.</li> <li>• Provide training to current staff and new hires on the new procedures and form.</li> </ul> <p>The Homelessness Assistance Unit Managing Director will audit the process during the next contracting cycle to ensure the procedures are followed and the form contains the required elements.</p> <p>Corrective action for the Rental Assistance Program is expected to be completed in September 2022.</p> <p>Completion Date: Estimated September 2022</p> <p>Agency Contact: Gena Allen                      Internal Control Officer                      PO Box 42525                      Olympia, WA 98504-2525                      (360) 480-5149  <a href="mailto:Gena.Allen@Commerce.wa.gov">Gena.Allen@Commerce.wa.gov</a></p>

Department of Corrections

Agency 310

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	017	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p>	<p>The Department of Corrections did not have adequate internal controls over and did not comply with requirements to ensure it used State and Local Fiscal Recovery Funds for allowable purposes and for costs incurred within the period of performance.</p> <table border="0" data-bbox="673 577 1136 640"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td></td> <td style="text-align: center;">21.027 COVID-19</td> <td style="text-align: center;">\$17,380,061</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department concurs that the questioned costs identified by the auditors occurred prior to the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) start date of March 3, 2021.</p> <p>The Department has processes in place to ensure there is accurate documentation to support costs charged to federal grants. However, the Department was not aware that the period of performance of the grant was specified in the US Treasury Interim Final Rule which was issued on May 17, 2021.</p> <p>In May 2022, when the State Auditor’s Office shared the period of performance exceptions for the audit, the Department realized costs incurred from July 1, 2020, through March 2, 2021, were outside the grant’s period of performance. The Department immediately reviewed active grants to ensure costs charged to the grant were incurred within the grant period.</p> <p>The Department is committed to ensuring compliance with federal grant requirements. In response to this audit finding, the Department will:</p> <ul style="list-style-type: none"> <li>• Review internal processes that identify eligible costs and ensure all applicable federal guidance is reviewed and documented in the grant files.</li> <li>• Review documentation requirements for each grant and ensure only eligible costs that occur within the period of performance are transferred.</li> <li>• Review record retention practices to improve organization of grant documentation for more effective responses to audit requests.</li> </ul> <p>The review will result in a more robust planning and documentation process for federal grants. Since the Department has had insignificant federal grant funding prior to the Coronavirus Relief Funds and the CSLFRF, this work will strengthen our systems of internal control and compliance with federal regulations.</p> <p>Since the Department received CSLFRF funding through legislative appropriation, resolution of the questioned costs with the grantor will be managed by the Office of Financial Management.</p> <p style="text-align: right;">Page 1027</p>		<u>CFDA #</u>	<u>Amount</u>		21.027 COVID-19	\$17,380,061
	<u>CFDA #</u>	<u>Amount</u>							
	21.027 COVID-19	\$17,380,061							

Department of Corrections

Agency 310

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2021	017 (cont'd)	Agency Contact:	Anita Kendall Senior Director, Business Services PO Box 41106 Olympia, WA 98504-1106 (360) 480-7915 <a href="mailto:Anita,kendall@doc.wa.gov">Anita,kendall@doc.wa.gov</a>

Department of Agriculture

Agency 495

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	018	<p>Finding: The Department of Agriculture did not have adequate internal controls over and did not comply with federal requirements for procurement or suspension and debarment.</p> <p>Questioned Costs: <u>CFDA #</u> 21.027 COVID-19 <u>Amount</u> \$10,528,205</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is committed to ensuring grant programs comply with federal regulations regarding procurement and suspension and debarment.</p> <p>In response to the audit finding, the Department is taking the following corrective actions to address the audit recommendations:</p> <ul style="list-style-type: none"> <li>• Effective with the fiscal year 2023 contract period, the federal suspension and debarment language will be added to each contract and referenced in each amendment.</li> <li>• Contractors will be required to include suspension and debarment language in all lower tier agreements.</li> <li>• Program staff will check the federal System for Award Management (SAM.gov) prior to the contract execution date. The contractor verification documentation will be maintained in each contract file.</li> <li>• Review and update policies as needed to ensure procurement of goods and services comply with state and federal policies and procedures.</li> <li>• By June 30, 2023, develop agency policies and procedures for procurement and suspension and debarment, and provide training to staff on the federal requirements.</li> </ul> <p>Due to the audit finding being issued late in the fiscal year 2022 audit cycle, the Department was not able to fully implement corrective actions during the 2022 audit period. The Department anticipates full compliance with the procurement and suspension and debarment requirement by fiscal year 2023.</p> <p>Since the Department received Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) funding through legislative appropriation, resolution of the questioned costs with the grantor will be managed by the Office of Financial Management.</p> <p>Completion Date: Estimated June 2023</p> <p>Agency Contact: Natasha Roberts                      Chief Financial Officer                      PO Box 42560                      Olympia, WA 98504-2560                      360-870-6217  <a href="mailto:nroberts@agr.wa.gov">nroberts@agr.wa.gov</a></p>

Department of Agriculture

Agency 495

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	019	<p>Finding: The Department of Agriculture did not have adequate internal controls over and did not comply with federal requirements to ensure it issued all required subawards, included all required information in the subawards issued, and performed risk assessments for subrecipients of the Coronavirus State and Local Fiscal Recovery Funds.</p> <p>Questioned Costs: <u>CFDA #</u> 21.027 COVID-19      <u>Amount</u> \$3,371,121</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Department is committed to ensuring grant programs comply with federal regulations regarding issuing subawards and performing risk assessments.</p> <p>In response to the audit finding, the Department is taking the following corrective actions to address the audit recommendations:</p> <ul style="list-style-type: none"> <li>• By September 30, 2022, update current federal contracts that will be active in fiscal year 2023 to include:                             <ul style="list-style-type: none"> <li>○ The 14 federal subaward elements as referenced in 2 CFR 200.332.</li> <li>○ Subrecipient or contractor designation.</li> <li>○ A link to the 2022 Compliance Supplement for the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF).</li> </ul> </li> <li>• For fiscal year 2023 contracts, perform risk assessments for each contractor by September 30, 2022. All future contracts will have a risk assessment completed when reviewing the application and/or prior to contracting and establishing risk-based monitoring processes.</li> <li>• By June 2023:                             <ul style="list-style-type: none"> <li>○ Develop agency policies and procedures for subawards and risk assessments and provide training to staff on the requirements.</li> <li>○ Implement process to perform risk assessments of subrecipients and evaluate the results to determine the required level of monitoring for each subrecipient in accordance with federal requirements, policies, and processes.</li> </ul> </li> </ul> <p>Due to the audit finding being issued late in the fiscal year 2022 audit cycle, the Department was not able to fully implement corrective action during the 2022 audit period. The Department anticipates full compliance with all required internal controls on subawards, including risk assessments, by the end of fiscal year 2023.</p> <p>Since the Department received CSLFRF funding through legislative appropriation, resolution of the questioned costs with the grantor will be managed by the Office of Financial Management.</p> <p>Completion Date: Estimated June 2023</p>

Department of Agriculture

Agency 495

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2021	019 (cont'd)	Agency Contact:	Natasha Roberts Chief Financial Officer PO Box 42560 Olympia, WA 98504-2560 360-870-6217 <a href="mailto:nroberts@agr.wa.gov">nroberts@agr.wa.gov</a>

Washington State University

Agency 365

Fiscal Year	Finding Number	Finding and Corrective Action Plan															
2021	020	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>Washington State University did not establish adequate internal controls over and did not comply with federal requirements to conduct risk assessments of student information security for the Student Financial Assistance programs.</p> <table border="0"> <thead> <tr> <th data-bbox="673 583 771 613"><u>CFDA #</u></th> <th data-bbox="1003 583 1101 613"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 613 771 642">84.007</td> <td data-bbox="1003 613 1101 642">\$0</td> </tr> <tr> <td data-bbox="673 642 771 672">84.033</td> <td></td> </tr> <tr> <td data-bbox="673 672 771 701">84.038</td> <td></td> </tr> <tr> <td data-bbox="673 701 771 730">84.063</td> <td></td> </tr> <tr> <td data-bbox="673 730 771 760">84.268</td> <td></td> </tr> <tr> <td data-bbox="673 760 771 789">84.379</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>In response to prior year's audit finding, the University revised and improved the tools and processes for conducting information security risk assessments.</p> <p>The University:</p> <ul style="list-style-type: none"> <li>• Used the refined tools to perform comprehensive assessments of risks against the control environment.</li> <li>• Maintained documentation to support both the results of the assessment and the activities implemented to monitor and assess threats to information security.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2020-021.</p> <p>March 2022</p> <p>Heather Lopez                      Chief Audit Executive                      PO Box 64122                      Pullman, WA 99164-1221                      (509) 335-2001  <a href="mailto:hlopez@wsu.edu">hlopez@wsu.edu</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.007	\$0	84.033		84.038		84.063		84.268		84.379	
<u>CFDA #</u>	<u>Amount</u>																
84.007	\$0																
84.033																	
84.038																	
84.063																	
84.268																	
84.379																	



Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	021	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with federal requirements to ensure Local Education Agencies implemented testing security measures.</p> <table border="0" data-bbox="667 548 1096 611"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>84.010</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>It is important to note the unusual circumstances of the statewide assessment during the spring of 2021. General assessments on mathematics, language arts, and science were deferred to a fall test administration. The other alternate assessment allowed the option for either a spring or fall timeframe. Therefore, this audit period only covered part of the test administration, with the remainder of the testing completed in the fall of 2021.</p> <p>The Office monitors and ensures all school districts implement school testing security measures. All districts are required to submit a District Administration and Security Report (DASR) at the conclusion of the testing cycle to document the security training and that protocols have been followed. Monitoring has been in place and ongoing. During the 2020-21 school year, which fell within this audit period, the Office communicated broadly and regularly regarding the DASR requirement, and followed up with due diligence on districts that had not submitted their reports.</p> <p>It should be noted that collection of DASRs and district monitoring/audits are separate activities due to the nature and timing of each activity. DASR submission is an activity that is completed at the end of a school district's test administration. For most districts in the State, DASRs are completed in June after spring testing. The other alternative assessment also concluded in June 2021. In the last two weeks of June, the Office had begun follow-up with districts that had not yet submitted DASRs.</p> <p>The Office originally planned to implement new onsite and desk monitoring protocols of school districts in the spring of 2020, but full implementation has been delayed due to the pandemic. Beginning with the spring 2022 assessments, the Office has resumed onsite and desk monitoring of a rotating sample of districts.</p> <p>The Office will continue to:</p> <ul style="list-style-type: none"> <li>• Regularly communicate with districts regarding the DASR requirements.</li> <li>• Send follow-up communications if completed submissions are not timely.</li> <li>• Provide districts with all required training materials to help ensure appropriate protocols are in place for the security of the tests.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2020-026.</p>	<u>CFDA #</u>	<u>Amount</u>	84.010	\$0
<u>CFDA #</u>	<u>Amount</u>						
84.010	\$0						

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	021 (cont'd)	Completion Date: Estimated July 2023  Agency Contact: Christopher Hanczrik Director, Assessment Operations and Select Assessments PO Box 47200 Olympia, WA 98504 (360) 485-3580 <a href="mailto:Christopher.Hanczrik@k12.wa.us">Christopher.Hanczrik@k12.wa.us</a>

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	022	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to ensure payments to subrecipients were adequately supported for the Special Education programs.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>84.027</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>84.173</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>In response to prior year’s audit finding, the Office took the following corrective actions to improve subrecipient monitoring:</p> <ul style="list-style-type: none"> <li>• Implemented a monthly expenditure reporting process for the Local Education Agencies (LEAs).</li> <li>• Provided instructions to LEAs within the grant application and included in Special Education Monthly Updates.</li> <li>• Used the fiscal risk assessment results to identify LEAs for onsite and desk reviews.</li> </ul> <p>Onsite and desk reviews are being accomplished during the 2021-22 school year, with final monitoring of selected LEAs to be completed by December 2022.</p> <p>The Office’s Operations Division will coordinate with the Washington Integrated System of Monitoring team to monitor LEAs during the 2022-23 school year through onsite and desk reviews.</p> <p>The conditions noted in this finding were previously reported in finding 2020-028.</p> <p>Estimated December 2022</p> <p>Tania May                      Executive Director, Special Education                      P.O. Box 47200                      Olympia, WA 98504                      (360) 725-6075  <a href="mailto:Tania.may@k12.wa.us">Tania.may@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.027	\$0	84.173	
<u>CFDA #</u>	<u>Amount</u>								
84.027	\$0								
84.173									

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	023	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over requirements to perform risk assessments for subrecipients of the Special Education program.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>84.027</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>84.173</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Office has taken the following corrective actions to strengthen internal controls over performing risk assessments for subrecipients.</p> <p>In April 2022, the Office:</p> <ul style="list-style-type: none"> <li>• Revised and expanded the form package Educational Service Districts (ESDs) are required to submit as part of yearend reporting to include documentation related to the activities identified in the Coordinated Services Agreement (CSA), and factors for timely completion of form package and submission of yearend reporting. This included:                         <ul style="list-style-type: none"> <li>○ Providing documentation that supports the implementation of the approved CSA activities.</li> <li>○ Submitting fiscal year expenditure report to the Office for review to determine if expenditures were allowable and in alignment with the ESD’s approved CSA.</li> <li>○ Providing list of contractor names and services received in the yearend reporting package. This information will be utilized by the Office in selecting contracts for review as part of the ESDs’ risk assessment process.</li> </ul> </li> <li>• Updated fiscal/program monitoring guidance to reflect the above changes.</li> </ul> <p>In June 2022, the Office provided professional development/training to ESDs on the new process.</p> <p>The Office also plans on implementing a revised process to review all submitted documentation for compliance in the 2022-2023 school year.</p> <p>June 2022</p> <p>Tania May                      Executive Director of Special Education                      600 Washington Street SE                      Olympia, WA 98504                      (360) 725-6075  <a href="mailto:Tania.May@k12.wa.us">Tania.May@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.027	\$0	84.173	
<u>CFDA #</u>	<u>Amount</u>								
84.027	\$0								
84.173									

Washington State University

Agency 365

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	024	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>Washington State University did not establish adequate internal controls over and did not comply with federal requirements to monitor its third-party servicer for compliance with Federal Perkins Loan Program recordkeeping and record retention requirements.</p> <table border="0" data-bbox="670 577 1096 640"> <tr> <td><u>CFDA #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>84.038</td> <td>\$0</td> </tr> </table> <p>Corrective action complete</p> <p>The University has established the following procedures to monitor ECSI, the third-party service provider, to ensure compliance with Perkins Loan recordkeeping and record retention requirements:</p> <ul style="list-style-type: none"> <li>• Request the Service Organization Controls (SOC) compliance audit report from ECSI in August/September each year for review of compliance with federal requirements.</li> <li>• Review and confirm that ECSI is in compliance with regulatory requirements, and sign and date the SOC audit report.</li> </ul> <p>Additionally, the University:</p> <ul style="list-style-type: none"> <li>• Assigned the Bursar’s Collection Manager to be responsible for overseeing the monitoring process, with the Bursar as the backup.</li> <li>• Provided training to staff who manage these duties and will continue to evaluate and provide training as needed to address changes in personnel or requirements.</li> <li>• Requested and reviewed the 2021 SOC report and noted no exceptions.</li> </ul> <p>January 2022</p> <p>Heather Lopez                      Chief Audit Executive                      PO Box 64122                      Pullman, WA 99164-1221                      (509) 335-2001  <a href="mailto:hlopez@wsu.edu">hlopez@wsu.edu</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.038	\$0
<u>CFDA #</u>	<u>Amount</u>						
84.038	\$0						

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	025	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to ensure it monitored Education Stabilization Fund program subrecipients and that payments to them were allowable and adequately supported.</p> <table border="0"> <thead> <tr> <th data-bbox="673 583 971 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1094 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="673 611 971 638">84.425D COVID-19</td> <td data-bbox="1003 611 1094 638">\$0</td> </tr> <tr> <td data-bbox="673 638 971 665">84.425R COVID-19</td> <td></td> </tr> <tr> <td data-bbox="673 665 971 693">84.425U COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>In response to the audit recommendations, the Office included the Elementary and Secondary School Emergency Relief (ESSER) programs in the fiscal subrecipient monitoring plan for the current cycle. The reviews were performed in the 2021-22 school year and included a review of 2019-20 and 2020-21 school year expenditures for these programs.</p> <p>The Office will continue to include new and existing federal awards for the ESSER programs in future fiscal subrecipient monitoring plans, through the end of the respective grant periods.</p> <p>January 2022</p> <p>Amy Harris              Director of Federal Fiscal Policy and Grants Management              PO Box 47200              Olympia, WA 98504              (360) 688-0485  <a href="mailto:Amy.Harris@k12.wa.us">Amy.Harris@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.425D COVID-19	\$0	84.425R COVID-19		84.425U COVID-19	
<u>CFDA #</u>	<u>Amount</u>										
84.425D COVID-19	\$0										
84.425R COVID-19											
84.425U COVID-19											

Office of Superintendent of Public Instruction

Agency 350

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	026	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Office of Superintendent of Public Instruction did not have adequate internal controls over and did not comply with requirements to perform risk assessments for subrecipients of the Education Stabilization Fund programs.</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><u>CFDA #</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>84.425D COVID-19</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>84.425R COVID-19</td> <td></td> </tr> <tr> <td>84.425U COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>When the risk assessment was developed for the fiscal year 2021 audit period, the Office was not aware that the Education Stabilization Fund programs were required to be included in the risk assessment. Upon discovering the requirement, these federal awards were included in the risk assessment and the results did not indicate material issues.</p> <p>The Office has taken the following corrective actions:</p> <ul style="list-style-type: none"> <li>• Updated the risk assessment to include the Education Stabilization Fund programs.</li> <li>• Modified the risk assessment process to incorporate new and high-risk federal awards for the year they are awarded to determine the appropriate level of monitoring for each subrecipient.</li> </ul> <p>The Office will continue to:</p> <ul style="list-style-type: none"> <li>• Improve internal controls to ensure risk assessments are performed for each subaward issued.</li> <li>• Document the results of each completed risk assessment for management evaluation to demonstrate compliance with federal requirements.</li> </ul> <p>February 2022</p> <p>Jason Miller                      Executive Director, Elementary Education, Early Learning, Special Programs &amp; Federal Accountability                      PO Box 47200                      Olympia, WA 98504                      (360) 764-6079  <a href="mailto:Jason.Miller@k12.wa.us">Jason.Miller@k12.wa.us</a></p>	<u>CFDA #</u>	<u>Amount</u>	84.425D COVID-19	\$0	84.425R COVID-19		84.425U COVID-19	
<u>CFDA #</u>	<u>Amount</u>										
84.425D COVID-19	\$0										
84.425R COVID-19											
84.425U COVID-19											

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	027	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Social and Health Services did not have adequate internal controls over Random Moment Time Samples and did not comply with some Public Assistance Cost Allocation Plan requirements.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.558</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>As of January 2021, the Department completed the following corrective actions in response to prior years' findings:</p> <ul style="list-style-type: none"> <li>• Implemented a process to ensure monthly staff reconciliations are performed when key personnel are out of the office.</li> <li>• Developed standard guidelines and procedures for updating the eligible staff list in Barcode.</li> <li>• Reviewed the Public Assistance Cost Allocation Plan with the Random Moment Time Sample (RMTS) auditors to ensure they are aware of when it is appropriate to modify an RMTS sample during an audit.</li> </ul> <p>In February 2021, the Department:</p> <ul style="list-style-type: none"> <li>• Implemented a process to conduct monthly reviews on a subset of the staff on the reconciliation report to ensure the RMTS coordinators are properly updating the eligible staff list in Barcode.</li> <li>• Updated current guidance to provide additional examples to staff on types of activities that are appropriate for each selection.</li> </ul> <p>As of February 2021, the Department implemented all the above corrective actions necessary to resolve the audit issues. The exceptions identified by the auditor occurred before February 2021.</p> <p>The Department also completed a one-time review of a subset of RMTS samples in June 2021 to conduct root cause analysis and determine whether additional training, procedure changes, or system changes are needed.</p> <p>The conditions noted in this finding were previously reported in findings 2020-006 and 2019-008.</p> <p>February 2021</p> <p>Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.558	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.558	\$0						



Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	028	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers paid with Temporary Assistance for Needy Families funds were allowable and properly supported.</p> <table border="0" data-bbox="667 577 1153 640"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.558</td> <td style="text-align: right;">\$119,917,902</td> </tr> </table> <p>Corrective action in progress</p> <p>The Working Connections Child Care (WCCC) program was previously managed by the Department of Social and Health Services (DSHS) and the Department of Early Learning. Since the program transitioned in 2019, the Department has been making efforts to strengthen internal controls over payments to child care providers and other grant requirements.</p> <p>The Department allocated the Temporary Assistance for Needy Families (TANF) and Child Care Development Fund grants to eligible clients and allowable activities in compliance with federal regulations outlined in 45 CFR 98.67. The Department’s grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child-level data as suggested in the federal regulations contained in 2 CFR 200.</p> <p>In response to the auditor’s recommendations, the Department will:</p> <ul style="list-style-type: none"> <li>• Update the service level agreement language with DSHS. This will include additional internal control language related to TANF expenditures to ensure the Department follows the agreed upon Payment Allocating Model process and that payments are traceable to the expenditure level.</li> <li>• Review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations.</li> </ul> <p>Estimated December 2022</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.558	\$119,917,902
<u>CFDA #</u>	<u>Amount</u>						
93.558	\$119,917,902						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	029	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal requirements to reduce or deny assistance to recipients of the Temporary Assistance for Needy Families grant who did not cooperate with the child support program.</p> <table border="0" data-bbox="667 611 1096 674"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.558</td> <td style="text-align: right;">\$142</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department partially concurs with this audit finding.</p> <p>While one out of 12 referred cases of child support noncooperation did not have Temporary Assistance for Needy Families (TANF) assistance properly reduced, the Department does not concur with the State Auditor’s Office (SAO) determination that a total population of 12 cases has a direct and material effect on the program.</p> <p>The Department’s concern is around the SAO’s objectivity in evaluating and reaching its audit conclusion. When the Department questioned the direct and material effect of 12 non-cooperation cases on the program, the SAO stated:</p> <p style="padding-left: 40px;"><i>“For the TANF non-cooperation requirement, the team learned through meetings with staff that the (IV-D) program significantly changed its approach during the pandemic in how it chose to refer cases to CSD. With this significant procedural change along with the knowledge that DSHS staffing was negatively impacted by the COVID-19 pandemic, the team felt there was an increased risk to meeting federal requirements despite the prior years of no significant audit issues. These factors made the team consider the requirement material to the program and I [SAO management] agree with that assessment.”</i></p> <p>In response to the pandemic, the child support program implemented a Policy Clarification Memo changing the process on how the non-cooperation cases are determined. This policy change reduced the number of non-cooperation cases the child support program sent to the TANF program during the fiscal year. Although this is not relevant in determining if the TANF program complied with federal requirements and took appropriate actions upon receipt of the non-cooperation case, it did address the SAO’s questions about the decrease in non-cooperation cases received by the TANF program. However, once the SAO learned that the decrease was not caused by any programmatic errors in the electronic notification process between the two programs, it did not objectively evaluate the likelihood of the small number of non-cooperation cases received to have a direct and material effect on the program.</p> <p>In addition, contrary to statements made in an email communication from SAO, the Department’s TANF program never stated that staffing was negatively impacted by the COVID-19 pandemic or that it affected the</p>	<u>CFDA #</u>	<u>Amount</u>	93.558	\$142
<u>CFDA #</u>	<u>Amount</u>						
93.558	\$142						

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	029 (cont'd)	<p>program’s ability to process non-cooperation notices. Public confidence is maintained by auditors’ integrity which includes performing their work with an attitude that is objective and fact based.</p> <p>The Department also does not concur that adequate internal controls were not in place. When a non-cooperation case is received and good cause is not applicable, the worker takes action by updating the case status as “not cooperating” in the Automated Client Eligibility System which subsequently triggers a reduction in TANF assistance. The system has controls in place to alert the worker when there is no change to the client’s benefit amount, which should prompt the worker to review the coding of the case.</p> <p>The worker who processed the single non-cooperation case in question was in-training at the time the error was made and did not have the full understanding that benefits should be reduced as a result of non-cooperation. Therefore, action was not taken to review the coding when prompted by the system alerts.</p> <p>As of April 2022, the Department:</p> <ul style="list-style-type: none"> <li>• Correctly coded the TANF program case as “not cooperating” which appropriately reduced the TANF assistance.</li> <li>• Processed an overpayment for the appropriate amount and sent an overpayment letter to the impacted household.</li> </ul> <p>As of May 2022, the Department’s WorkFirst Program Manager alerted the staff who processed the case and the supervisor about the error and provided resource tools for training.</p> <p>As of July 2022, the Department sent draft revisions of manual language to the TANF policy team for review to ensure procedures are up to date.</p> <p>By September 2022, the Department will issue a statewide policy announcement to address the correct coding of noncooperation notices in the eligibility system.</p> <p>Completion Date: Estimated September 2022</p> <p>Agency Contact: Richard Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	030	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Social and Health Services improperly charged \$224,752 for the Child Support Enforcement and Child Support Enforcement Research programs.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.563</td> <td style="text-align: right;">\$224,752</td> </tr> <tr> <td>93.564</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Department partially concurs with the audit finding.</p> <p>The Department concurs two bases originally intended to be used for administrative costs were inadvertently omitted from the Public Assistance Cost Allocation Plan (PACAP). Upon discovery of this error, the Department updated the PACAPs for state fiscal years 2021 and 2022 to include those bases for the Child Support Enforcement and the Child Support Enforcement Research Programs and resubmitted to the federal grantor.</p> <p>To strengthen internal controls, the Department implemented a quarterly review of all administrative expenditures, effective October 10, 2021, to confirm all bases are included in the PACAP.</p> <p>The Department does not concur that funds were improperly charged to the Child Support Enforcement and Child Support Enforcement Research Programs. This was strictly a technical error in the PACAP and the funds were used for their authorized purpose.</p> <p>If the grantor contacts the Department regarding the questioned costs, the Department will discuss the manner in which funds were used and will take additional action if appropriate.</p> <p>October 2021</p> <p>Rick Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.563	\$224,752	93.564	
<u>CFDA #</u>	<u>Amount</u>								
93.563	\$224,752								
93.564									

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan										
2021	031	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p>	<p>The Department of Commerce did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Federal Funding Accountability and Transparency Act.</p> <table border="0" data-bbox="667 548 1096 640"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td>93.568</td> <td></td> <td style="text-align: center;">\$0</td> </tr> <tr> <td>93.568 COVID-19</td> <td></td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Low-Income Home Energy Assistance Program (LIHEAP) has added all current awards to the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System and data entry for the sub-awardees was completed as of April 15, 2022.</p> <p>In response to the finding, the Department implemented the following procedures to strengthen internal controls and to ensure compliance with the reporting requirements:</p> <ul style="list-style-type: none"> <li>• Vetted award letters and funding allocations through the budget team and assistant director before issuing subawards to the LIHEAP network.</li> <li>• Added the FFATA reporting requirements to the obligation process for contracting funds, which includes an obligation memo that outlines the amounts the program intends to pass through to subrecipients and contractors.</li> <li>• Designated the LIHEAP program manager to be responsible for performing the FFATA reporting duties.</li> <li>• Established a procedure to monitor subawards upon receiving an award letter from the federal grantor, including reviewing incoming amendments and determining if the threshold for FFATA reporting has been reached.</li> <li>• Implemented a process to ensure prepared reports are reviewed and approved by the Community Economic Opportunities Unit managing director to ensure accuracy, prior to the program manager submitting them in the FFATA system.</li> <li>• Stipulated the due date of report submission to be 30 days after the assistant director signs the obligation memo to ensure that the program meets FFATA reporting deadlines.</li> </ul> <p>The Department will provide training to program staff before the annual technical assistance and training conference for sub grantees. The training will consist of a FFATA requirement overview and walkthrough of the Department’s internal FFATA reporting procedures.</p> <p>The Department will review the FFATA procedures on an annual basis to ensure compliance with current federal requirements.</p> <p style="text-align: right;">Page 1045</p>		<u>CFDA #</u>	<u>Amount</u>	93.568		\$0	93.568 COVID-19		
	<u>CFDA #</u>	<u>Amount</u>										
93.568		\$0										
93.568 COVID-19												

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2021	031 (cont'd)	Agency Contact:	Gena Allen Internal Control Officer PO Box 42525 Olympia, WA 98504-2525 (360) 480-5149 Gena.Allen@Commerce.wa.gov

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan										
2021	032	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Commerce did not have adequate internal controls over and did not comply with reporting requirements for the Low-Income Home Energy Assistance Program.</p> <table border="0" data-bbox="672 548 1094 642"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td>93.568</td> <td></td> <td style="text-align: center;">\$0</td> </tr> <tr> <td>93.568 COVID-19</td> <td></td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>In a typical program year, October 1 thru September 30, the Low-Income Home Energy Assistance Program (LIHEAP) receives awards from one funding source. Six months into the program year, in April 2020, the Department received additional funds from additional sources. Since all LIHEAP database updates and changes were already made prior to the beginning of the program year, the additional funds were required to be tracked separately from the regular LIHEAP allotment.</p> <p>In order to distribute the funds to those in need, the Department made a program decision to track the funds in the Contract Management System (CMS) for the remaining six months of the 2020 LIHEAP program year. As a result, the funds were tracked with a combination of data from CMS and the LIHEAP database. In addition, during this time period, the database developer retired and the documentation for the Household Report was not saved.</p> <p>The Department made the following changes to the LIHEAP database for LIHEAP transactions for the 2021 program year. The changes were implemented on October 1, 2020, which included:</p> <ul style="list-style-type: none"> <li>• Adding contract numbers to the LIHEAP database.</li> <li>• Requiring all contractors to enter the contract number for every payment.</li> <li>• Adding reporting criteria to Household Report.</li> </ul> <p>The United States Department of Health and Human Services (HHS) provided annual training to update grantees on changes made to the reporting documents and procedures for reporting.</p> <p>The Department also established the following reporting process to be completed by the LIHEAP Team:</p> <ul style="list-style-type: none"> <li>• Program Manager pulls the necessary reports.</li> <li>• Managing Director (MD) reviews reports before submittal.</li> <li>• Program Manager submits reports once MD approval is received.</li> <li>• Program Manager receives notice that the report has been accepted by the funder.</li> <li>• Program Manager saves a copy of the report, documentation, and acceptance.</li> </ul>		<u>CFDA #</u>	<u>Amount</u>	93.568		\$0	93.568 COVID-19		
	<u>CFDA #</u>	<u>Amount</u>										
93.568		\$0										
93.568 COVID-19												

Department of Commerce

Agency 103

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	032	<p>The Program Manager is working with the HHS contractor APPRISE to revise the reporting submission.</p> <p>Completion Date: Estimated August 2022</p> <p>Agency Contact: Gena Allen                      Internal Control Officer                      PO Box 42525                      Olympia, WA 98504-2525                      (360) 480-5149  <a href="mailto:Gena.Allen@Commerce.wa.gov">Gena.Allen@Commerce.wa.gov</a></p>



Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	033	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers for the Child Care and Development Fund Cluster programs were allowable and properly supported.</p> <table border="0"> <thead> <tr> <th data-bbox="672 583 764 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1096 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="672 615 748 642">93.575</td> <td data-bbox="1003 615 1149 642">\$271,353,409</td> </tr> <tr> <td data-bbox="672 646 873 674">93.575 COVID-19</td> <td></td> </tr> <tr> <td data-bbox="672 678 748 705">93.596</td> <td></td> </tr> </tbody> </table> <p>Corrective action in progress</p> <p>The Child Care and Development Fund (CCDF) program was previously managed by the Department of Social and Health Services and the Department of Early Learning. Since the program transitioned in 2019, the Department has been making efforts to strengthen internal controls over payments to child care providers and other CCDF grant requirements.</p> <p>The Department allocated the CCDF grants to eligible clients and allowable activities in compliance with federal regulation outlined in 45 CFR 98.67. The Department’s grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child-level data as suggested in the federal regulations contained in 2 CFR 200.</p> <p>In response to the auditor’s recommendations, the Department will review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations.</p> <p>The conditions noted in this finding were previously reported in findings 2020-038, 2019-035, 2018-034, 2017-024, 2016-021, 2015-023, 2014-023, 2013-016, 12-28, 11-23, 10-31, 9-12 and 8-13.</p> <p>Estimated December 2022</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$271,353,409	93.575 COVID-19		93.596	
<u>CFDA #</u>	<u>Amount</u>										
93.575	\$271,353,409										
93.575 COVID-19											
93.596											

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	034	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with requirements to ensure payroll charges paid by the Child Care and Development Fund cluster were allowable and properly supported.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.575</td> <td>\$21,708,066</td> </tr> <tr> <td>93.575 COVID-19</td> <td></td> </tr> <tr> <td>93.596</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>The Department agrees that payroll certifications were not completed timely during the audit period but maintains that the charges to the grant were allowable.</p> <p>As of October 2021, the Department has completed fiscal year 2021 payroll certifications.</p> <p>The conditions noted in this finding were previously reported in findings 2020-037, 2019-036 and 2018-033.</p> <p>October 2021</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$21,708,066	93.575 COVID-19		93.596	
<u>CFDA #</u>	<u>Amount</u>										
93.575	\$21,708,066										
93.575 COVID-19											
93.596											

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan													
2021	035	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over client eligibility requirements for the child care services funded with the Child Care and Development Fund.</p> <table border="0" data-bbox="667 548 1096 674"> <tr> <td></td> <td style="text-align: center;"><u>CFDA #</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td>93.575</td> <td></td> <td style="text-align: center;">\$32</td> </tr> <tr> <td>93.575 COVID-19</td> <td></td> <td></td> </tr> <tr> <td>93.596</td> <td></td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Child Care and Development Fund (CCDF) program was previously managed by the Department of Social and Health Services and the Department of Early Learning. Since the program transitioned in 2019, the Department has been making efforts to strengthen internal controls over payments to child care providers and other CCDF grant requirements.</p> <p>In response to the finding, the Department established the overpayment for \$32 and referred it to the Office of Financial Recovery for collection.</p> <p>During the audit period, the Department continued to improve processes and internal controls by implementing the following:</p> <ul style="list-style-type: none"> <li>• In July 2020:                     <ul style="list-style-type: none"> <li>○ Created an overpayment review panel that meets semi-monthly to review assigned overpayments. This panel will ensure correct rule application and identify areas of program vulnerability.</li> <li>○ Performed continued quality improvement reviews for procedural modifications related to household composition changes that were implemented late in the fiscal year to address the prior year's audit finding.</li> </ul> </li> <li>• In August 2020, replaced the Audit 99 auditing system with an updated audit platform that includes a database for root cause analysis.</li> <li>• In January 2021, began conducting monthly audit calibration meetings with all lead workers and internal audit staff to ensure agency audit standards are consistently followed.</li> <li>• In April 2021:                     <ul style="list-style-type: none"> <li>○ Hired a Quality Assurance Administrator to facilitate program integrity efforts based on audit findings and program needs.</li> <li>○ Verified lead workers conduct coaching and auditing based on program needs to ensure consistency and compliance with program rules.</li> </ul> </li> <li>• In May 2021:                     <ul style="list-style-type: none"> <li>○ Established a centralized audit team to conduct program audits following the requirements of the statewide single audit in accordance with the Uniform Guidance.</li> </ul> </li> </ul>		<u>CFDA #</u>	<u>Amount</u>	93.575		\$32	93.575 COVID-19			93.596		
	<u>CFDA #</u>	<u>Amount</u>													
93.575		\$32													
93.575 COVID-19															
93.596															

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	035 (cont'd)	<p>The Department has continued to simplify rules for workers to establish eligibility and for families to be approved for child care. The Fair Start for Kids Act, which was enacted in October 2021, included several components to simplify the rules and expand eligibility:</p> <ul style="list-style-type: none"> <li>• Increased the income threshold to 60% of State Median Income (SMI) for applications and 65% of SMI for reapplications.</li> <li>• Created four copayment amounts based on a consumer's household income range.</li> <li>• Standardized the provider payment rates to be paid at the State rate only.</li> </ul> <p>In addition, the Department will continue to improve processes and internal controls, as follows:</p> <ul style="list-style-type: none"> <li>• Create and deliver staff training, including an annual refresher course, on using data systems and performing income calculations, specifically the Division of Child Supports (SEMS) system and Employment Security Division systems.</li> <li>• Add language to the Consumer's Rights and Responsibilities Form to include the fraud penalty notice and the fraud reporting hotline number.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2020-039, 2019-032, 2018-030, 2017-026, 2016-023, 2015-026, 2014-026, 2013-017 and 2012-30.</p> <p>Completion Date: Estimated September 2022</p> <p>Agency Contact: Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>

Department of Children, Youth, and Families

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Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	036	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls and did not comply with matching, level of effort, and earmarking requirements for the Child Care and Development Fund Cluster.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.575</td> <td style="text-align: right;">\$171,849</td> </tr> <tr> <td style="text-align: right;">93.575 COVID-19</td> <td></td> </tr> <tr> <td style="text-align: right;">93.596</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Child Care and Development Fund (CCDF) program was previously managed by the Department of Social and Health Services and the Department of Early Learning. Since the program transitioned in 2019, the Department has been making efforts to strengthen internal controls over payments to child care providers and other CCDF grant requirements.</p> <p>The Department allocated the CCDF grants to eligible clients and allowable activities in compliance with federal regulation outlined in 45 CFR 98.67. The Department’s grant adjustments for the Direct Services earmark were processed based on eligible clients and allowable activities. However, the adjustments did not include child-level data as suggested in the federal regulations contained in 2 CFR 200.</p> <p>The audit period covered expenditures related to grant award years 2018, 2019, 2020, and 2021. It should be noted that level of effort and other earmarking expenditures were not affected by journal vouchers processed for child care expenditures paid through the Social Service Payment System. We disagree with the auditors’ assertion that these compliance areas could not be audited due to those JVs being processed, as noted in the Effect of Condition section of the finding.</p> <p>To address the audit recommendations, the Department will:</p> <ul style="list-style-type: none"> <li>• Establish written procedures for matching, level of effort, and earmarking requirements, and for fiscal monitoring of these areas.</li> <li>• Review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2020-040.</p> <p>Estimated July 2023</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$171,849	93.575 COVID-19		93.596	
<u>CFDA #</u>	<u>Amount</u>										
93.575	\$171,849										
93.575 COVID-19											
93.596											

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	037	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with period of performance requirements for the Child Care and Development Fund.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.575</td> <td style="text-align: right;">\$4,039</td> </tr> <tr> <td>93.575 COVID-19</td> <td></td> </tr> <tr> <td>93.596</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Child Care and Development Fund (CCDF) program was previously managed by the Department of Social and Health Services and the Department of Early Learning. Since the program transitioned in 2019, the Department has been making efforts to strengthen internal controls over payments to child care providers and other CCDF grant requirements.</p> <p>The Department allocated the CCDF grants to eligible clients and allowable activities in compliance with federal regulation outlined in 45 CFR 98.67. The Department’s grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child-level data as suggested in the federal regulations contained in 2 CFR 200.</p> <p>In state fiscal year 2022, the Department processed corrections for all expenditures identified as questioned costs, as allowed per federal regulations.</p> <p>To address the audit recommendations, the Department will:</p> <ul style="list-style-type: none"> <li>• Establish written procedures for complying with federal period of performance requirements and fiscal monitoring of these areas.</li> <li>• Review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2020-041.</p> <p>Estimated July 2023</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$4,039	93.575 COVID-19		93.596	
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93.596											

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	038	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with financial reporting requirements for the Child Care and Development Fund Cluster.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.575</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td style="text-align: right;">93.575 COVID-19</td> <td></td> </tr> <tr> <td style="text-align: right;">93.596</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Child Care and Development Fund (CCDF) program was previously managed by the Department of Social and Health Services and the Department of Early Learning. Since the program transitioned in 2019, the Department has been making efforts to strengthen internal controls over payments to child care providers and other CCDF grant requirements.</p> <p>The Department allocated the CCDF grants to eligible clients and allowable activities in compliance with federal regulation outlined in 45 CFR 98.67. The Department's grant adjustments were processed based on eligible clients and allowable activities. However, the adjustments did not include child-level data as suggested in the federal regulations contained in 2 CFR 200.</p> <p>In response to the auditor's recommendations, the Department will review options available for processing adjustments to include transaction-level data that is sufficient to comply with federal regulations and supports the ACF-696 reporting requirements.</p> <p>Estimated December 2022</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$0	93.575 COVID-19		93.596	
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Fiscal Year	Finding Number	Finding and Corrective Action Plan									
2021	039	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with health and safety requirements for the Child Care and Development Fund program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.575</td> <td>\$0</td> </tr> <tr> <td>93.575 COVID-19</td> <td></td> </tr> <tr> <td>93.596</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Department is strongly committed to ensuring the health, safety, and well-being of all children in care, and is continuing to work on improving internal controls and processes.</p> <p>In September 2020, in response to the COVID-19 pandemic, the grantor approved the revised CCDF State Plan to allow the Department to conduct annual, announced virtual monitoring visits of licensed providers rather than typical unannounced onsite visits.</p> <p>In July 2021, the Department consulted with the grantor on accepting email and verbal confirmation in lieu of signature on the health and safety agreement for Family, Friends &amp; Neighbors providers. The CCDF State Plan was subsequently updated to reflect this change and the signature requirement was removed.</p> <p>The Department will continue to implement system changes and enhancements in WA Compass to assist with reporting on monitoring visits and health and safety rechecks.</p> <p>The conditions noted in this finding were previously reported in findings 2020-042, 2019-039, 2018-035, 2017-025, 2016-022 and 2015-024.</p> <p>Estimated September 2022</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.575	\$0	93.575 COVID-19		93.596	
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93.575	\$0										
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93.596											



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Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	040	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls to ensure payments to providers for travel and family visits were allowable and adequately supported for the Foster Care program.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.658</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td colspan="2">93.658 COVID-19</td> </tr> </table> <p>Corrective action in progress</p> <p>The Department is committed to strengthening internal controls and complying with grant requirements.</p> <p>In response to the auditor’s recommendations, the Department will work with the Financial and Business Services Division and Foster Care Program to review the fiscal monitoring procedures to ensure payments to providers for travel and family visits are allowable and adequately supported.</p> <p>Estimated December 2022</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.658	\$0	93.658 COVID-19	
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Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	041	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with federal requirements to ensure indirect costs charged to the Foster Care program were allowable.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.658</td> <td>\$16,289,333</td> </tr> <tr> <td>93.658 COVID-19</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>As of July 1, 2018, the Legislature created the Department of Children, Youth, and Families (DCYF) by combining the Department of Social and Health Services Children’s Administration and the Department of Early Learning. The new agency assumed the responsibilities of managing the Foster Care program and created a Public Assistance Cost Allocation Plan (PACAP) to comply with federal regulations.</p> <p>During the time period when the original PACAP was established, the Cost Allocation and Grants Unit was under resourced due to vacancies and a hiring freeze. The six bases used to allocate costs to the program were inadvertently omitted on the submitted plan.</p> <p>As a newly established agency, the Department continues to work on documenting and refining internal control processes and procedures. As of June 2022, the Department:</p> <ul style="list-style-type: none"> <li>• Verified all bases were included in the PACAP.</li> <li>• Updated and resubmitted the SFY21 PACAP to the Department of Health and Human Services.</li> </ul> <p>June 2022</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.658	\$16,289,333	93.658 COVID-19	
<u>CFDA #</u>	<u>Amount</u>								
93.658	\$16,289,333								
93.658 COVID-19									

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2021	042	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with some Public Assistance Cost Allocation Plan requirements.</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><u>CFDA #</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.658</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>93.658 COVID-19</td> <td></td> </tr> <tr> <td>93.659</td> <td></td> </tr> <tr> <td>93.659 COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action not taken</p> <p>The Department does not concur with the finding.</p> <p>As stated in prior year’s audit response, the Department has processes and procedures in place for the monthly employee reconciliation of the Random Moment Time Study (RMTS) sampling universe. The headquarters’ cost allocation team follows procedures to create and communicate monthly employee reports to the RMTS coordinators.</p> <p>The Department maintains that it complies with the RMTS instructions that are included in the federally approved Public Assistance Cost Allocation Plan (PACAP). The Department has also taken additional actions to address system limitations caused by high turnover rates of staff within the cost pools. There is no known deficiency with the integrity of the RMTS, nor are unallowable costs allocated to federal programs.</p> <p>The Department will continue to maintain internal controls over the monthly update process to ensure the RMTS sampling populations are complete. The Department will also work with the federal partners to ensure continued compliance with the PACAP.</p> <p>The conditions noted in this finding were previously reported in findings 2020-044 and 2019-044.</p> <p>Not applicable</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.658	\$0	93.658 COVID-19		93.659		93.659 COVID-19	
<u>CFDA #</u>	<u>Amount</u>												
93.658	\$0												
93.658 COVID-19													
93.659													
93.659 COVID-19													

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	043	Finding:  Questioned Costs:  Status:  Corrective Action:  Completion Date:  Agency Contact:	The Department of Children, Youth, and Families improperly charged \$1,850 in benefits to the Foster Care Title IV-E program.  <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.658</td> <td style="text-align: right;">\$1,850</td> </tr> <tr> <td colspan="2">93.658 COVID-19</td> </tr> </table> Corrective action complete  The Department concurs with the finding.  In April 2022, the Department: <ul style="list-style-type: none"> <li>• Updated the source of funds in the FamLink application for the child identified in the audit exception to ensure future payments would be made with state funds.</li> <li>• Researched all payments made on behalf of the child and returned the federal portion to the grantor.</li> </ul> April 2022  Stefanie Niemela Audit Liaison PO Box 40970 Olympia, WA 98504 (360) 725-4402 <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a>	<u>CFDA #</u>	<u>Amount</u>	93.658	\$1,850	93.658 COVID-19	
<u>CFDA #</u>	<u>Amount</u>								
93.658	\$1,850								
93.658 COVID-19									

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	044	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over its process to allocate the Adoption Assistance program expenditures to federal grants.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.659</td> <td>\$0</td> </tr> <tr> <td colspan="2">93.659 COVID-19</td> </tr> </table> <p>Corrective action complete</p> <p>In October 2020, the Department took the following corrective actions in response to the prior year’s audit finding:</p> <ul style="list-style-type: none"> <li>• Implemented processes for additional approval authorities to ensure cost allocation edit forms are reviewed and approved by management.</li> <li>• Established a workflow for segregating duties to strengthen internal controls over processing cost allocation edit forms.</li> </ul> <p>The three instances noted by the auditor during the current audit were all changes made on one edit form entered in September 2020, prior to the new processes and workflow being implemented. All other samples reviewed by the auditors were processed after October 2020 and substantiated the required documentation of review and approval per the new process.</p> <p>The conditions noted in this finding were previously reported in finding 2020-045.</p> <p>October 2020</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.659	\$0	93.659 COVID-19	
<u>CFDA #</u>	<u>Amount</u>								
93.659	\$0								
93.659 COVID-19									

Department of Children, Youth, and Families

Agency 307

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	045	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Children, Youth, and Families did not have adequate internal controls over and did not comply with level of effort requirements for the Adoption Assistance program.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.659</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>93.659 COVID</td> <td></td> </tr> </table> <p>Corrective action complete</p> <p>To address the audit finding and recommendations, the Department took the following corrective actions:</p> <ul style="list-style-type: none"> <li>• In February 2022, hired a new position to manage the adoption savings program.</li> <li>• In May 2022:                         <ul style="list-style-type: none"> <li>○ Corrected the federal fiscal year 2020 annual adoption savings report and submitted to the Administration for Children and Families (ACF).</li> <li>○ Reviewed ACF’s reporting instructions and guidance with staff involved in the preparation and submission of the financial report.</li> <li>○ Reviewed written procedures for tracking and monitoring adoption savings expenditures to ensure compliance with level of effort requirements.</li> <li>○ Established meetings with impacted staff prior to and after the submission of the financial report to improve processes between program and fiscal staff in monitoring and verifying adoption savings expenditures.</li> </ul> </li> </ul> <p>The Department will continue to take the necessary steps to improve internal controls and accuracy in reporting adoption savings spending.</p> <p>May 2022</p> <p>Stefanie Niemela                      Audit Liaison                      PO Box 40970                      Olympia, WA 98504                      (360) 725-4402  <a href="mailto:stefanie.niemela@dcyf.wa.gov">stefanie.niemela@dcyf.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.659	\$0	93.659 COVID	
<u>CFDA #</u>	<u>Amount</u>								
93.659	\$0								
93.659 COVID									

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan							
2021	046	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls to ensure clients were eligible for the Children's Health Insurance Program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.767</td> <td style="text-align: right;">\$10,244</td> </tr> <tr> <td style="text-align: right;">93.767 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority partially concurs with the finding.</p> <p>For the one instance where a client did not have a valid Social Security Number (SSN), the Authority is consulting with the Department of Social and Health Services to understand the system issue that caused the absence of an alert on the case when the SSN verification needed follow-up.</p> <p>The Authority concurs there were expenditures for two clients that needed to be moved from federal to state funding when Children's Health Insurance Program (CHIP) coverage had ended during their postpartum period. However, due to staff turnover on the finance team, the journal vouchers were not processed timely. The Authority will follow up to confirm the journal vouchers are complete and will work to ensure adequate internal processes are in place when staff turnover occurs.</p> <p>The Authority does not concur that one client who aged out of the program should be removed from services. Over the course of the public health emergency, the policy guidance changed several times. The Authority believes that the policy to hold clients in the program could be supported by the CHIP disaster state plan or a 1115 waiver. The Authority will work with the federal partners to understand the rules and obtain proper guidance about claiming CHIP federal dollars when youth age out of the program.</p> <p>The Authority will consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</p> <p>Estimated December 2022</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.Summerour@hca.wa.gov">Kari.Summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.767	\$10,244	93.767 COVID-19	
<u>CFDA #</u>	<u>Amount</u>								
93.767	\$10,244								
93.767 COVID-19									

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	047	<p>Finding: The Health Care Authority did not have adequate internal controls over and did not comply with federal provider eligibility requirements for the Medicaid and Children's Health Insurance programs.</p> <p>Questioned Costs: <u>CFDA #</u> <u>Amount</u>                      93.767 \$0                      93.767 COVID-19                      93.775                      93.777                      93.778                      93.778 COVID-19</p> <p>Status: Corrective action in progress</p> <p>Corrective Action: The Authority concurs with the finding.</p> <p>The Authority will:</p> <ul style="list-style-type: none"> <li>• Strengthen internal controls to ensure providers are adequately screened, licensed, enrolled, and eligible to provide and bill for services.</li> <li>• Update the automated notification system to ensure notifications are sent timely to allow the revalidations to be completed within the five-year deadline.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2020-046, 2019-048, 2018-042, 2017-033 and 2016-035.</p> <p>Completion Date: Estimated June 2023</p> <p>Agency Contact: Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.Summerour@hca.wa.gov">Kari.Summerour@hca.wa.gov</a></p>



Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan															
2021	048	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with managed care financial audit requirements.</p> <table border="0"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.767</td> <td>\$0</td> </tr> <tr> <td>93.767 COVID-19</td> <td></td> </tr> <tr> <td>93.775</td> <td></td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>The Authority implemented policies and procedures and established a process to:</p> <ul style="list-style-type: none"> <li>• Collect audited financial reports annually from managed care organizations.</li> <li>• Conduct audits of encounter and financial data no less than once every three years.</li> </ul> <p>Additionally, the Authority amended managed care contract language to include the following:</p> <ul style="list-style-type: none"> <li>• Required managed care organizations to submit audited financial reports annually, beginning in fiscal year 2023.</li> <li>• Directed managed care organizations to follow the required timing and procedures for submitting audited financial reports.</li> <li>• Failure to submit reports is sanctionable.</li> </ul> <p>The Authority also conducted an encounter validation audit and has begun a financial report validation audit.</p> <p>May 2022</p> <p>Kari Summerour                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.Summerour@hca.wa.gov">Kari.Summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.767	\$0	93.767 COVID-19		93.775		93.777		93.778		93.778 COVID-19	
<u>CFDA #</u>	<u>Amount</u>																
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93.778																	
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2021	049	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid payments to supported living providers were allowable and adequately supported.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.775</td> <td style="text-align: right;">\$251,573,081</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>While the Department partially concurs with the finding and related questioned costs of \$182,599, we respectfully dispute the remaining questioned costs (\$251,390,482) identified in the finding.</p> <p>The State Auditor’s Office (SAO) did not question all the costs from the first half of fiscal year 2021 that were associated with the 54 providers subject to the Developmental Disabilities Administration (DDA) payroll verification review. The Department agrees that the questioned costs determined by SAO for these 54 providers are reasonable.</p> <p>DDA has numerous internal controls in place which provide sufficient assurance that the services paid for were provided. These include:</p> <ul style="list-style-type: none"> <li>• Medicaid service verifications,</li> <li>• Allowable costs payment reconciliations,</li> <li>• Payroll verification processes,</li> <li>• Quality assurance reviews,</li> <li>• Duplicate payment reports,</li> <li>• Residential Care Services (RCS) certification processes,</li> <li>• Contract monitoring,</li> <li>• Reconciliation processes for rates, cost reports, and settlements, and</li> <li>• Segregation of duties and other verification and approval processes.</li> </ul> <p>SAO is questioning all costs associated with the 78 providers who did not receive a payroll verification review in the first half of the fiscal year and all reimbursements from the second half of the fiscal year. The DDA strongly disagrees that all these costs should be questioned.</p> <p>During the fiscal year, DDA had the same internal controls in place, performing provider payroll verifications in exactly the same way in the second half as the first half of the fiscal year. The reason why SAO did not consider the internal controls for the second half of the fiscal year is due to the timing of the audit cycle, rather than questioning the adequacy of the controls. DDA reconciles payments on a calendar year basis while SAO audits on a fiscal year basis and does not consider activities that fall outside of the audit period. Based on this understanding, DDA asserts that the questioned costs for this audit should amount to no more than \$182,599.</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$251,573,081	93.777		93.778		93.778 COVID-19	
<u>CFDA #</u>	<u>Amount</u>												
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	049 (cont'd)	<p>DDA has followed all requirements, including reconciling the settlement amounts that were issued to providers in the cost report settlement process. DDA has made significant changes to its processes and is interested in partnering with SAO to resolve disagreements. Unfortunately, SAO did not choose a more collaborative approach aimed at assisting DDA in its quality improvement efforts.</p> <p>DDA strongly believes its current oversight and monitoring activities provide adequate assurance that services received by clients meet the certification standards for supported living providers. DDA continues its efforts to bring quality services to clients who receive habilitative residential supports and intends to submit a request to CMS that the questioned costs imposed by the SAO be rescinded.</p> <p>To address the portion of the finding with which we concur, the Department will continue to utilize numerous oversight and monitoring strategies consistent with the assurances in the waiver application. Additionally,</p> <ul style="list-style-type: none"> <li>• By September 2022, hire additional staff for each of the three regions to conduct onsite quality assurance reviews and confirm providers are delivering support as outlined in individual person-centered service plans.</li> <li>• By October 2022, communicate with the federal grantor regarding the Department's processes and the questioned costs identified in the finding.</li> <li>• By December 2022, review and amend the cost report instructions.</li> <li>• By December 2022, reconcile provider payments to assure they accurately reflect the days of service provided to individual clients. This process will be performed again by June 2023.</li> <li>• By January 2023, request legislation to add additional staff to complete a higher percentage of payroll verifications, with the goal of conducting payroll verifications on fifty percent of the providers by April 2023.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2020-051, 2019-054, 2018-058, 2017-044, 2016-041, 2016-045, 2015-049, 2015-052, 2014-041, 2014-042, 2013-036, 2013-038 and 2012-039.</p> <p>Completion Date: Estimated April 2023</p> <p>Agency Contact: Richard Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2021	050	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it performed procedures to safeguard against unnecessary utilization of care and services for the Medicaid program.</p> <table border="0"> <tr> <td><u>CFDA #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>93.775</td> <td>\$0</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Health Care Authority partially concurs with the finding.</p> <p>The Authority agrees that adequate internal controls are necessary to ensure compliance with utilization control and program integrity requirements. The Authority will evaluate its current processes and procedures related to utilization control requirements and update as needed to ensure effective monitoring of the Department’s statewide surveillance and utilization control program.</p> <p>The Authority is implementing the Surveillance and Utilization Review System, a new fraud and abuse detection system which will include the capability to generate automated alerts.</p> <p>The Authority disagrees that the Medicaid state plan needs to be updated. The current plan includes methods and procedures that are sufficient to safeguard against unnecessary utilization of care and services.</p> <p>Similar conditions noted in this finding were previously reported in findings 2020-047, 2020-048, 2019-052, 2019-053 and 2018-047.</p> <p>Estimated May 2023</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.Summerour@hca.wa.gov">Kari.Summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$0	93.777		93.778		93.778 COVID-19	
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Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2021	051	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it performed periodic audits of cost report data for rate setting, hospital billings and other financial and statistical records for inpatient hospital services.</p> <table border="0"> <thead> <tr> <th><u>CFDA #</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>93.775</td> <td>\$0</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>The Authority has implemented internal controls to ensure compliance with federal requirements over inpatient hospital facility audits.</p> <ul style="list-style-type: none"> <li>• In May 2021, the Authority implemented a procedure to determine when audits of cost reports are deemed necessary.</li> <li>• Effective February 2022, the State Plan was amended to reflect that, while audits may be performed by the Authority as it deems necessary, there is not a requirement to do so.</li> </ul> <p>The conditions noted in this finding were previously reported in finding 2020-049.</p> <p>February 2022</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:kari.summerour@hca.wa.gov">kari.summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$0	93.777		93.778		93.778 COVID-19	
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93.778 COVID-19													

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2021	052	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with requirements to report recoveries of fraudulent overpayments on the CMS-64 report.</p> <table border="0"> <tr> <td><u>CFDA #</u></td> <td><u>Amount</u></td> </tr> <tr> <td>93.775</td> <td>\$78,774</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority concurs with the finding.</p> <p>The Authority will establish a process to ensure information concerning the status of Medicaid Fraud Control Unit (MFCU) cases is communicated timely to the Authority from the Attorney General's Office. This will help ensure recoveries of fraudulent overpayments are reported on the CMS-64 report appropriately and any federal share is returned timely to the Centers for Medicaid and Medicare Services (CMS).</p> <p>The Authority will also work with CMS to return the federal share of unrecovered settlement amounts and report them accurately on the CMS-64. The Authority believes the questioned cost amount identified by the auditor is incorrect and should total \$78,550.</p> <p>The conditions noted in this finding were previously reported in finding 2020-050.</p> <p>Estimated October 2022</p> <p>Kari Summerour, CPA                      External Audit Liaison                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-9586  <a href="mailto:Kari.Summerour@hca.wa.gov">Kari.Summerour@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$78,774	93.777		93.778		93.778 COVID-19	
<u>CFDA #</u>	<u>Amount</u>												
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Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2021	053	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls to ensure it complied with nursing home survey statement of deficiencies and plan of corrections timelines.</p> <table border="0"> <thead> <tr> <th data-bbox="672 583 764 611"><u>CFDA #</u></th> <th data-bbox="1003 583 1096 611"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="672 611 764 638">93.775</td> <td data-bbox="1003 611 1096 638">\$0</td> </tr> <tr> <td data-bbox="672 638 764 665">93.777</td> <td></td> </tr> <tr> <td data-bbox="672 665 764 693">93.778</td> <td></td> </tr> <tr> <td data-bbox="672 693 764 720">93.778 COVID-19</td> <td></td> </tr> </tbody> </table> <p>Corrective action complete</p> <p>The Department partially agrees with the finding.</p> <p>The Department agrees that it was not in compliance with the procedures outlined in Management Bulletin 15-081, which stated staff will provide the Statement of Deficiency (SOD) report to the field manager and the field manager will review for any SODs that are not sent out within ten working days. However, since the implementation of the Electronic Plan of Correction (ePOC) system in April 2017, Management Bulletin 15-081 is no longer applicable.</p> <p>The implementation of the ePOC application for nursing homes at the Residential Care Services has strengthened internal controls and increased efficiency. The ePOC application:</p> <ul style="list-style-type: none"> <li>• Automated the distribution of the federal SOD via a secure website created by the Centers for Medicare and Medicaid Services.</li> <li>• Eliminated the need for staff to provide the SOD report to the field manager.</li> <li>• Automatically sends e-mail notifications daily to the regional administrator, field manager, and support staff when nine days past the exit date in the Automated Survey Processing Environment (ASPEN) and a SOD has not been sent to the nursing facility.</li> </ul> <p>The federal application thus made it unnecessary for a staff member to distribute the SODs. Even though the procedures outlined in the management bulletin were outdated during the fiscal year under audit, two of the three regions were still following the bulletin as a “double-check.”</p> <p>The Department does not agree with the auditors’ conclusion that internal controls were inadequate for compliance with home survey SOD and POC timelines. No exceptions were identified during the audit compliance testing.</p> <p>As of June 30, 2022, Management Bulletin 15-081 was rescinded. Field Managers will continue to follow up on all ePOC e-mail notifications to ensure compliance with deadlines.</p>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$0	93.777		93.778		93.778 COVID-19	
<u>CFDA #</u>	<u>Amount</u>												
93.775	\$0												
93.777													
93.778													
93.778 COVID-19													

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	053 (cont'd)	<p>The conditions noted in this finding were previously reported in finding 2020-054.</p> <p>Completion Date: June 2022</p> <p>Agency Contact: Richard Meyer                      External Audit Compliance Manager                      PO Box 45804                      Olympia, WA 98504-5804                      (360) 664-6027  <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a></p>



Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan											
2021	054	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p>	<p>The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over and did not comply with requirements to ensure timely investigation of complaints of client abuse and neglect at Medicaid residential facilities.</p> <table border="0"> <tr> <td style="padding-right: 20px;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td>93.775</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>93.777</td> <td></td> </tr> <tr> <td>93.778</td> <td></td> </tr> <tr> <td>93.778 COVID-19</td> <td></td> </tr> </table> <p>Corrective action in progress</p> <p>The Department partially agrees with the finding.</p> <p>The Department agrees that not all complaint investigations were initiated within the required timeframes. However, the Department does not agree that noncompliance was due to inadequate internal controls. Residential Care Services (RCS) has effectively used current internal controls since fiscal year 2017 when we received the State Auditor’s Office Stewardship Award related to this audit area.</p> <p>Compliance with required investigation timeframes decreased due to an increase of almost 3,200 complaints from the previous fiscal year that were assigned for investigation. In addition, the effects of the COVID-19 pandemic increased staff vacancy rates to 24% due to exposure, illness, and staff resignation caused by vaccination mandates.</p> <p>In general, a 2-day response is required for allegation of a life-threatening situation that has caused, or is at risk of causing, substantial harm of such consequence that urgent intervention is necessary. The Department assigned all COVID-19 complaints related to the pandemic to the 2-day response category in the Tracking Incidents of Vulnerable Adults case management system, which further impacted workload.</p> <p>Since all COVID infection activities are categorized using the 2-day priority system for tracking purposes, it appeared the Department was out of compliance with intakes of immediate jeopardy cases. As of July 2022, 2-day immediate jeopardy intakes related to abuse and neglect were in compliance. Once the state of emergency rules are lifted, the Department will use the system for abuse and neglect immediate jeopardy intake tracking only, as it was intended.</p> <p>RCS will continue to use current internal controls to ensure timely investigation of complaints of client abuse and neglect at Medicaid residential facilities. Additional staff will be hired and trained to fill the vacant positions. The Department anticipates:</p> <ul style="list-style-type: none"> <li>• Compliance with immediate jeopardy related to COVID activities case intakes by December 2022.</li> <li>• Compliance with non-immediate jeopardy case intakes by June 2023.</li> </ul>	<u>CFDA #</u>	<u>Amount</u>	93.775	\$0	93.777		93.778		93.778 COVID-19	
<u>CFDA #</u>	<u>Amount</u>												
93.775	\$0												
93.777													
93.778													
93.778 COVID-19													

Department of Social and Health Services

Agency 300

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2021	054 (cont'd)	Completion Date: Estimated June 2023  Agency Contact: Richard Meyer External Audit Compliance Manager PO Box 45804 Olympia, WA 98504-5804 (360) 664-6027 <a href="mailto:Richard.Meyer@dshs.wa.gov">Richard.Meyer@dshs.wa.gov</a>

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	055	Finding:  Questioned Costs:  Status:  Corrective Action:        Completion Date:  Agency Contact:	The Health Care Authority improperly charged \$100,000 to the Block Grants for Prevention and Treatment of Substance Abuse.  <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.959</td> <td style="text-align: right;">\$100,000</td> </tr> </table> Corrective action in progress  In response to the audit finding, the Authority will: <ul style="list-style-type: none"> <li>• Establish a new process and internal controls for review of payments and the grant closure date to ensure payments to providers and contracts meet the period of allowability.</li> <li>• Communicate the new process to all management, contract managers, and contract specialists.</li> <li>• Update all contract terms and conditions to include specific billing timeline language, in accordance with the new policies.</li> </ul> A notification has been provided to all contracted providers to inform them about the upcoming changes to program policies and contract terms. The Authority will work with the grantor on resolution of the questioned costs.  Estimated December 2022  Kendra Thomas Internal Audit Manager PO Box 45502 Olympia, WA 98504-5502 (360) 725-1669 <a href="mailto:Kendra.thomas@hca.wa.gov">Kendra.thomas@hca.wa.gov</a>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$100,000
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$100,000						

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	056	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it met the earmarking requirement for the Block Grants for Prevention and Treatment of Substance Abuse.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.959</td> <td style="text-align: right;">\$684,129</td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority partially concurs with the finding.</p> <p>The Authority performs accounting adjustments as part of the grant reconciliation process. The exception identified in the finding was the result of adjustments not being performed timely due to staffing and workload issues, which the Authority hopes will be corrected with the current fully-staffed level. When the final SF-425 Federal Financial Report was submitted to the federal grantor, it properly reported the administrative expenditures.</p> <p>The Authority will re-evaluate the internal controls in place over the SF-425 reporting and earmarking requirement to address the timeliness issue. The Authority does not agree with or plan on repaying the questioned costs and will work with the federal grantor to determine resolution of this issue.</p> <p>Estimated March 2023</p> <p>Kendra Thomas                      Internal Audit Manager                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-1669  <a href="mailto:Kendra.thomas@hca.wa.gov">Kendra.thomas@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$684,129
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$684,129						

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	057	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure payments made under the Block Grants for Prevention and Treatment of Substance Abuse program met the period of performance.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.959</td> <td style="text-align: right;">\$54,385</td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority will improve internal controls for payments made under the Block Grant programs to ensure:</p> <ul style="list-style-type: none"> <li>• Account coding is correctly applied to payments for the correct grant period.</li> <li>• Payments are made only for allowable activities and within the appropriate period of performance.</li> <li>• Accounting adjustments are reviewed and approved for compliance with program and period of performance requirements.</li> <li>• Staff do not charge costs to a grant after it has closed.</li> </ul> <p>The Authority will work with the grantor on resolution of the questioned costs.</p> <p>The conditions noted in this finding were previously reported in finding 2020-059.</p> <p>Estimated December 2022</p> <p>Kendra Thomas                      Internal Audit Manager                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-1669  <a href="mailto:kendra.thomas@hca.wa.gov">kendra.thomas@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$54,385
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$54,385						

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	058	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure it filed reports required by the Federal Funding Accountability and Transparency Act.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.959</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority is working on finalizing formal policies and procedures across divisions to ensure there are established internal controls over the Federal Funding Accountability and Transparency Act (FFATA) reporting.</p> <p>A workgroup was established and has begun meeting to finalize the criteria for when FFATA reports are required. The policies, procedures, and requirements will be disseminated to applicable staff when complete. The Authority plans to initiate this process for all contracts beginning after July 1, 2022.</p> <p>The Authority will implement the following procedures to ensure compliance with the reporting requirements:</p> <ul style="list-style-type: none"> <li>• Contract Management will include a FFATA form as the last attachment in all contracts and will ensure it is complete prior to forwarding it to Grants Accounting.</li> <li>• Grants Accounting will enter agency information into the FFATA Subaward Reporting System (FSRS).</li> <li>• Management will run a report twice per month to reconcile the contracts entered into FSRS against all newly executed contracts to ensure FFATA reports are complete.</li> <li>• All staff involved in this process will receive training on the new policies and procedures</li> </ul> <p>Estimated May 2023</p> <p>Kendra Thomas                      Internal Audit Manager                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-1669  <a href="mailto:kendra.thomas@hca.wa.gov">kendra.thomas@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$0						

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	059	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with the reporting requirements for the Block Grants for Prevention and Treatment of Substance Abuse.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.959</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority partially concurs with the finding.</p> <p>The Authority agrees that the exceptions identified by the auditors were caused by account coding being erroneously opened and charges were processed. The authority disagrees that it resulted in inaccurate reporting and will work with staff to update processes to ensure the incorrect account coding will not be used for future reporting.</p> <p>The Authority maintains that the expenditure amounts reported on the SF-425 federal financial reports for the Substance Abuse Prevention and Treatment Block Grant are accurate, allowable, and supported by accounting records. The large and complex nature of block grants require diligent management to ensure accurate and appropriate spending and reporting. The period of performance often overlaps for consecutive grant years, and the two-year window for payments under the grant further complicates the grant closeout process. It is not unusual to take months to balance and reconcile expenditures at closeout.</p> <p>The Authority is aware of the need to comply with cost allowability and period of performance. It is for this reason that staff spend considerable time on review, research, and adjustments to ensure that expenditures are charged to the appropriate award based on month of service and that reporting is accurate.</p> <p>The Authority will consult with the grantor on the process for making adjustments after a grant award is closed when those adjustments do not affect the federal amount claimed.</p> <p>The conditions noted in this finding were previously reported in finding 2020-062.</p> <p>Estimated December 2022</p> <p>Kendra Thomas                      Internal Audit Manager                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-1669  <a href="mailto:kendra.thomas@hca.wa.gov">kendra.thomas@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$0						

Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	060	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with federal requirements to ensure subrecipients of the Block Grants for Prevention and Treatment of Substance Abuse program received required risk assessments.</p> <table border="0"> <tr> <td data-bbox="670 579 764 611"><u>CFDA #</u></td> <td data-bbox="1003 579 1094 611"><u>Amount</u></td> </tr> <tr> <td data-bbox="670 613 748 644">93.959</td> <td data-bbox="1003 613 1029 644">\$0</td> </tr> </table> <p>Corrective action complete</p> <p>Since the Authority assumed responsibilities over the grant program in fiscal year 2019, a multi-divisional subrecipient monitoring workgroup was established to develop internal controls and monitoring procedures for subrecipients.</p> <p>Prior to conclusion of the audit, the workgroup had developed and approved an effective subrecipient risk assessment process. The Authority conducted training to applicable staff in the fall of 2021 and is continuing to identify additional staff for the training.</p> <p>The conditions noted in this finding were previously reported in finding 2020-064.</p> <p>December 2021</p> <p>Kendra Thomas                      Internal Audit Manager                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-1669  <a href="mailto:Kendra.thomas@hca.wa.gov">Kendra.thomas@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$0						



Health Care Authority

Agency 107

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	061	<p>Finding:</p> <p>Questioned Costs:</p> <p>Status:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Health Care Authority did not have adequate internal controls over and did not comply with federal subrecipient monitoring requirements for the Block Grants for Prevention and Treatment of Substance Abuse program.</p> <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">93.959</td> <td style="text-align: right;">\$0</td> </tr> </table> <p>Corrective action in progress</p> <p>The Authority has already taken the following steps to address audit recommendations from prior year’s audit:</p> <ul style="list-style-type: none"> <li>• Established a multi-divisional subrecipient monitoring workgroup to develop internal controls and monitoring procedures for subrecipients.</li> <li>• Developed and is finalizing a consistent and uniform process across all units to track and monitor desk and site visits for subrecipients.</li> </ul> <p>In addition, the Authority’s Office of Tribal Affairs undertook a formal consultation process with the Indian Nation representatives with the following results:</p> <ul style="list-style-type: none"> <li>• Established protocols to complete monitoring activities with each Indian Nation on a biennial basis.</li> <li>• Obtained consent from each Indian Nation in March 2021 for the monitoring tools developed.</li> <li>• Sent formal monitoring requests to each Indian Nation in April 2021.</li> <li>• Scheduled desk monitoring beginning in June 2021, which occurred within the fiscal year 2021 audit period.</li> </ul> <p>The Authority conducted monitoring on a majority of the subrecipients with the issues identified in the audit. Unfortunately, the monitoring work was not considered by the State Auditor’s Office (SAO) due to review of this compliance area being performed late into the audit. Also, the staff who maintained the documentation was out due to illness at the time SAO requested the documentation; it was later provided but after the date. Going forward, the Authority’s Internal Audit staff will include multiple staff members in the audit requests to ensure documentation is provided timely.</p> <p>The conditions noted in this finding were previously reported in finding 2020-065.</p> <p>Estimated January 2023</p> <p>Kendra Thomas                      Internal Audit Manager                      PO Box 45502                      Olympia, WA 98504-5502                      (360) 725-1669  <a href="mailto:kendra.thomas@hca.wa.gov">kendra.thomas@hca.wa.gov</a></p>	<u>CFDA #</u>	<u>Amount</u>	93.959	\$0
<u>CFDA #</u>	<u>Amount</u>						
93.959	\$0						

Employment Security Department

Agency 540

Fiscal Year	Finding Number	Finding and Corrective Action Plan					
2021	062	Finding:  Questioned Costs:  Status:  Corrective Action:  Completion Date:  Agency Contact:	The Employment Security Department did not have adequate internal controls to ensure it submitted accurate weekly reports for the Presidential Declared Disaster Assistance to Individuals and Households program.  <table border="0"> <tr> <td style="text-align: right;"><u>CFDA #</u></td> <td style="text-align: right;"><u>Amount</u></td> </tr> <tr> <td style="text-align: right;">97.050 COVID-19</td> <td style="text-align: right;">\$0</td> </tr> </table> Corrective action not taken  The Department agrees the State Auditor’s Office recommendation would improve internal controls. However, the weekly program status report is no longer required as the grant is in its closeout phase. We consider this issue resolved.  Not applicable  Jay Summers External Audit Manager PO Box 9046 Olympia, WA 98507 (360) 529-6718 <a href="mailto:Joshua.Summers@esd.wa.gov">Joshua.Summers@esd.wa.gov</a>	<u>CFDA #</u>	<u>Amount</u>	97.050 COVID-19	\$0
<u>CFDA #</u>	<u>Amount</u>						
97.050 COVID-19	\$0						

## ABOUT THE STATE AUDITOR'S OFFICE

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